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# FOREIGN AGRICULTURE CIRCULAR

OFFICE OF FOREIGN AGRICULTURAL RELATIONS  
UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D.C.

FC-1-50

January 30, 1950

## WORLD COTTON CROP ESTIMATE REVISED UPWARD

World cotton production is now estimated by the Office of Foreign Agricultural Relations at 30,850,000 bales (of 500 pounds gross) compared with an estimate of 30,400,000 bales on October 24, 1949. The Office's latest estimate for the United States crop is higher by 588,000 bales than that released last October, while its foreign production estimates were revised downward by a total of 138,000 bales. The present world estimate represents an increase of 6 percent over last year's revised figure of 29,155,000 bales but is still below the 5-year prewar average by nearly 3 percent.

Production in the United States has risen sharply since the end of the war. The 1949 crop of 16,034,000 bales is the sixth largest crop on record and 22 percent above the 1935-39 average. Foreign production as a whole has been rising slowly since the end of the war but still is 20 percent below the prewar average.

The principal factors limiting expansion of cotton acreage abroad are the continued scarcity and high prices available for competing food crops, coupled with government restrictions on cotton acreage in India, Egypt, and several smaller producing countries to assure more adequate production of food commodities. Civil war in China and shortages of farm labor in many cotton-growing countries, particularly in South America and parts of Africa, are also important as factors limiting expansion of foreign cotton production. Mexico apparently is not affected by any of these factors as production has doubled since 1946.

Unusually favorable weather in Mexico together with an acreage increase of nearly 300,000 acres has resulted in a 1949 crop of about 900,000 bales or 58 percent above the previous record crop of 570,000 bales reported in 1948. Nearly all of Mexico's cotton is produced under irrigation. The opening of new irrigation systems in or near the principal cotton-growing areas has facilitated the sharp expansion in cotton acreage since 1946. Devaluation of the peso on July 22, 1948, from the equivalent of 20.6 U.S. cents to 14.4 cents resulted in higher prices for cotton in terms of Mexican currency and provided a strong incentive for increasing production in 1949. The liquidation in 1947-48 of all surplus cotton stocks accumulated during the war period was an additional stimulus to cotton production. A further increase in production may be expected in 1950 as a result of the favorable prices received in 1949 and the fact that practically all of the surplus from the 1949 crop already has been sold.

COTTON: Acreage and production in specified areas,  
averages 1935-39 and 1940-44, annual 1947-49 1/

Continent and country	Acreage				Production 2/			
	Year beginning August 1		Year beginning August 1		Year beginning August 1		Year beginning August 1	
	Averages	1947	1948 3/	1949 3/	Averages	1947	1948 3/	1949 3/
	1935-39	1940-44			1935-39	1940-44		
	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	acres	acres	acres	acres	bales	bales	bales	bales
<b>NORTH AMERICA</b>								
El Salvador.....	9	23	38	36	5	12	22	21
Guatemala.....	-	7	7	8	2	3	5	5
Mexico.....	725	855	927	1,334	334	425	484	900
Nicaragua.....	9	7	-	8	5	5	-	20
United States.....	27,788	21,992	21,269	22,821	13,149	11,957	11,857	16,074
British West Indies.....	20	20	9	12	5	5	5	-
Haiti.....	-	-	40	40	22	12	11	13
Puerto Rico.....	2	8	-	-	1	2	4	4
Total 5/.....	28,642	22,960	22,299	23,975	13,523	12,421	12,386	16,998
<b>EUROPE</b>								
Bulgaria.....	85	61	105	-	35	17	28	-
Greece.....	168	101	105	112	76	27	53	72
Italy.....	56	106	45	38	21	27	15	13
Rumania 6/.....	8	63	109	-	2	11	16	-
Spain.....	46	96	108	131	10	17	13	15
Yugoslavia.....	8	17	-	-	3	5	-	-
Total 5/.....	372	445	499	592	147	104	135	170
<b>U.S.S.R. (Europe and Asia).....</b>	5,087	3,911	3,625	4,100	3,430	2,080	2,400	2,700
<b>ASIA</b>								
Cyprus.....	11	6	-	5	3	1	1	1
Iran.....	453	384	205	259	171	105	80	78
Iraq.....	53	73	21	25	11	10	3	3
Syria.....	85	48	48	54	28	15	25	-
Turkey.....	667	736	502	734	249	241	218	375
Afghanistan.....	-	-	-	-	49	23	-	30
Burma.....	428	364	192	190	97	80	35	30
China (including Manchuria).....	7,038	5,849	6,400	6,300	2,855	2,012	2,136	1,700
French Indochina.....	36	-	-	-	6	7	3	-
Japan.....	2	-	7	7	1	1	2	3
India.....	24,204	20,518	10,932	11,055	5,348	4,853	2,510	2,325
Korea.....	564	776	355	282	198	196	64	113
Indonesia.....	27	24	-	-	9	10	-	-
Pakistan.....	1	1	3,122	2,715	1	1	925	900
Philippine Islands.....	5	15	-	-	1	3	4	1
Siam.....	16	35	87	70	7	11	27	-
Total 5/.....	33,805	29,056	21,961	21,828	9,038	7,575	6,048	5,628



<b>SOUTH AMERICA</b>												
Argentina.....	770:	826:	815:8/	1,236:8/	1,300:	289:	398:	423:	446:	450		
Brazil.....	5,562:	5,812:	4,800:	4,700:	5,200:	1,956:	2,169:	1,260:	1,540:	1,700		
Colombia.....	98:	99:	-:	-:	-:	23:	22:	25:	28:	40		
Ecuador.....	40:	38:	-:	-:	-:	13:	9:	10:	12:	9		
Paraguay.....	111:	116:	74:	131:	-:	40:	42:	33:	50:	50		
Peru.....	428:	353:	321:	358:	-:	384:	310:	282:	285:	285		
Venezuela.....	50:	53:	-:	-:	-:	11:	15:	10:	11:	9		
Total 5/.....	7,060:	7,299:	6,217:	6,642:	7,222:	2,716:	2,965:	2,043:	2,372:	2,543		
<b>AFRICA AND OCEANIA</b>												
Anglo-Egyptian Sudan.....	439:	363:	363:	402:	341:	248:	253:	215:	256:	240		
Belgian Congo.....	874:	923:	754:	741:	-:	172:	182:	184:	220:	-		
Kenya.....	-:	-:	28:	43:	-:	13:	21:	4:	8:	-		
Nyasaland.....	84:	56:	-:	-:	-:	12:	7:	11:	-:	-		
Tanganyika.....	-:	-:	-:	-:	-:	50:	45:	42:	38:	36		
Uganda.....	1,477:	1,152:	1,037:	1,555:	1,629:	281:	198:	141:	317:	260		
Egypt.....	1,821:	1,162:	1,302:	1,496:	1,754:	1,893:	1,243:	1,314:	1,836:	1,691		
French Equatorial Africa.....	390:	583:	-:	-:	-:	41:	87:	108:	110:	-		
French Morocco.....	1:	5:	-:	2:	2:	4/:	2:	-:	1:	1		
French West Africa.....	-:	-:	-:	-:	-:	28:	20:	14:	23:	35		
Mozambique.....	-:	497:	-:	634:	-:	33:	93:	101:	119:	-		
Nigeria.....	-:	-:	-:	-:	-:	36:	30:	35:	60:	60		
Angola.....	73:	-:	-:	-:	-:	13:	24:	24:	20:	28		
Southern Rhodesia.....	2:	5:	4:	-:	-:	4/:	1:	1:	-:	-		
Union of South Africa.....	-:	-:	-:	8:	-:	2:	1:	2:	6:	-		
Australia.....	53:	35:	7:	2:	-:	11:	7:	2:	1:	-		
Total 5/.....	6,176:	5,641:	5,299:	6,263:	6,632:	2,840:	2,220:	2,203:	3,031:	2,811		
World total 5/.....	81,142:	69,312:	59,900:	63,400:	69,740:	31,694:	27,365:	25,215:	29,155:	30,850		

1/ United States production in bales of 500 pounds gross weight (480 pounds net); others in bales of 478 pounds net through 1945; and 480 pounds thereafter. 2/ Years shown refer to years of harvest. 3/ Preliminary. 4/ Less than 500. 5/ Includes estimates for minor producing countries not listed above and allowances for other figures not available. 6/ Figures for 1943 to date are not comparable with prewar figures because of boundary changes. 7/ Included with India. 8/ Planted area. 9/ Exports.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics, reports of United States Foreign Service officers and results of office research.

In the United States a crop of 16,034,000 bales (December 1 estimate) was produced on a harvested area of 26,898,000 acres, representing an increase of 8 percent in production and 18 percent in acreage over the final estimates for 1948. Unusually favorable weather in Texas, California, Arizona, and New Mexico, caused production in those States to reach 50 percent of the total crop in 1949, compared with an average of 31 percent for 1938-47. Excessive rain and heavy boll weevil damage in other parts of the Cotton Belt resulted in lower than average yields and relatively poor quality of the crop. Yield per acre for the country as a whole, however, averaged 285.8 pounds in 1949 against 312.6 pounds in 1948 and a 1938-47 average of 254.0 pounds.

In a referendum held December 15, 1949, United States cotton farmers voted nearly 90 percent in favor of acreage restrictions for the 1950 crop following an official declaration that cotton was in surplus supply. The Secretary of Agriculture, in October, announced an acreage allotment of 21.0 million acres for 1950, representing a reduction of 30 percent from the 27,359,000 acres planted in 1949. A bill has been introduced in Congress, however, to modify or adjust allotments for 1950 on the ground that undue hardship is imposed on farmers in some areas. This bill, if enacted, would permit an upward adjustment of about 1.3 million acres in the total to be planted.

A 1949-50 crop of 20,000 bales in Nicaragua is more than 3 times the size of the 1948-49 crop of 6,000 bales and compares with a prewar and war-time average of only 5,000 bales. The local mill industry requires only 6,000 bales annually which leaves a surplus for export of about 14,000 bales from the 1949-50 crop. No appreciable change in production is reported from other countries of Central America and the Carribbean Area.

Production in the countries of Southern Europe totaled about 170,000 bales compared with 160,000 in 1948-49. A poor crop of 15,000 bales in Spain was more than offset by increases in Greece and Yugoslavia.

Press reports from the Soviet Union indicate that weather in the cotton areas was not favorable in 1949 and yields per acre may have been down by 5 or 6 percent, with production up by approximately 100,000 bales because of an increase in acreage. A production estimate based on fragmentary data is calculated by the Office of Foreign Agricultural Relations at about 2,700,000 bales, or 100,000 higher than in 1948. Acreage in 1949, also calculated, is placed at 4,550,000 acres compared with an estimated figure of 4,100,000 acres for 1948.

Reports from Turkey indicate a record 1949 crop of at least 375,000 bales, representing an increase of 65,000 to 70,000 bales above the 1948 estimate of 308,000 bales. Export demand for Turkish cotton is strong since price supports were abandoned by the government in 1948 and several trade ~~agreements~~ involving sale of cotton have been concluded with European countries. Domestic requirements total only about 185,000 bales, which leaves a surplus for export of nearly 200,000 bales.



The collection of cotton acreage and production data for the 1949 crop in China has been extremely difficult under civil war conditions. Sources in China, however, have estimated the 1949 crop at about 1,700,000 bales from 5.6 million acres, compared with 2,115,000 bales from 6.3 million acres in 1948. Such a crop is inadequate to meet the needs of mill and home industries, estimated in 1948-49 at about 3.0 million bales. Imports of cotton will receive a high priority if and when the ports are reopened, because of the importance of the cotton mill industry as a stabilizing factor in the nation's economy. At the same time the new government will make every effort to raise production to meet domestic needs for cotton.

Production in India, estimated at about 2,325,000 bales in 1949-50, is nearly 19 percent higher than in 1948-49, resulting from a 10 percent increase in acreage and some improvement in yields per acre over the very poor yields of 1948-49. Growing conditions in Bombay Province, except the Oomras tracts, have been favorable this year. In the Oomras tracts, including the Central Provinces, Berar, and Khandesh, production is expected to be 10 to 15 percent below earlier estimates but well above production last year. In Madras Province the prolonged drought may reduce present estimates of cotton production in that area.

No appreciable increase in cotton acreage in India is expected in the next few years because of restrictions imposed by the government to encourage food production. Various forms of subsidies also are paid for acreage and fertilizers used for cultivation of food crops. Prices available for food crops are generally higher than those for cotton.

The 1949-50 cotton crop in India is about 1 million bales below total requirements of mills and home industries. Quotas announced by the government for 1949-50 permit the export of only 165,000 bales of Bengal and Dhollera type (Asiatic short-staple varieties) cotton normally produced in surplus quantities.

In Pakistan, the 1949-50 crop estimated at 900,000 bales is slightly higher than the 826,000 reported last year and is based entirely on some improvement in growing conditions. Acreage is reported to be about the same as the 2,715,000 acres reported in 1948-49. Nearly 90 percent of the 1948-49 crop was composed of American varieties with approximately three-fourths of the Pakistan cotton crop under irrigation.

The 1949-50 crop of 113,000 bales in Korea is 57 percent above last year's small crop of 72,000 but is still little more than half of the pre-war average of 198,000 bales. Pressure for greater postwar production of food crops has prevented any appreciable increase in cotton production, although the crop is roughly 50,000 bales less than the quantities needed to operate the mills and the important home industry in 1949-50.

The Argentine cotton crop, estimated unofficially at around 450,000 bales for 1949-50, is about equal to that of 1948-49. Official statistics have not been released for more than a year but private sources indicate that acreage also is equal to or slightly higher than 1,235,000 acres planted in 1948-49. Production in the past 3 years has averaged little

more than mill requirements, leaving only small surpluses for export. Mill requirements in 1949-50 may reach 400,000 bales, leaving only 50,000 bales available for export.

Picking of the 1949-50 crop in South Brazil will not begin until late February or March so production estimates are still preliminary. Distribution of seed for planting is up by about 20 percent but early drought may have necessitated a considerable amount of replanting. An increase of 500,000 acres to 5,200,000 in 1949-50 is calculated from incomplete data for Brazil as a whole with a preliminary production estimate of 1,700,000 bales. Last year's production estimate was revised to 1,540,000 bales. The 1949-50 estimate consists of 450,000 bales for North Brazil, roughly 100,000 for minor states in South Brazil and 1,150,000 for Sao Paulo.

The relatively low production reported during all the previous post-war years is attributed to unfavorable weather conditions, some shift to cultivation of food crops, shortage of farm labor and depletion of soil with little use of fertilizers. Brazilian cotton production is not expected to regain its record levels of 2.5 to 2.7 million bales as long as farm labor is scarce and high-profit coffee growing competes with cotton for available land, labor, and capital in Sao Paulo.

Picking of the 1949-50 crop in Peru will begin in commercial volume in April with unofficial production estimates at least as high as last year's crop of 285,000 bales. Acreage is believed to be a little higher than last year's 358,000 acres. Growing conditions were favorable as late as mid-January, except for a shortage of water for irrigation early in the growing season. Changes in foreign exchange regulations have, in effect, increased prices of cotton in terms of Peruvian currency but were effected too late (November 1949) to have much influence on the 1949-50 crop, most of which was planted during September to November. The stimulus provided by these changes may be reflected in increased acreages in 1950-51. The 1948-49 crop of Pima amounted to about 45,000 bales and is expected to be at least as large in 1950-51.

The 1948-49 crop of 50,000 bales in Paraguay was much smaller than anticipated earlier as a result of heavy damage done by a newly discovered aphid-like fly called *Garagaphia torresi*. Early reports indicate a probable 1949-50 crop of about the same size. New infestation by this fly is expected but efforts to combat it with insecticides are being planned by the government. All of the crop except about 5,000 bales consumed locally is usually available for export.

Egypt's 1949-50 crop is estimated at 1,691,000 equivalent bales of 500 pounds (2nd official estimate) or 8 percent less than last year's crop of 1,836,000 bales. The prewar average is 1,893,000 bales. The 1,754,000 acres reported in 1949 are 258,000 acres or 17 percent greater than in 1948. The sharp drop in yields in 1949 is attributed to severe damage to cotton plants in the northern delta area by leafworm and bollworm. The infestation was limited almost entirely to the 6 provinces growing extra long-staple cotton.



Production of extra- and medium-long-staple varieties in 1949-50 is estimated at 859,000 bales (including 518,000 of Karnak), compared with 720,000 bales a year ago. Production of the ordinary long staple, mostly Ashmouni, amounted to 802,000 bales compared with 1,086,000 a year ago. About 30,000 bales of scarto (unclassified cotton) were reported each year. Acreage restrictions announced on November 27, 1949, for the 1950-51 crop will limit cultivation of extra- and medium-long-staple varieties to about 725,000 acres, a reduction of 250,000 acres from the 1949 acreage planted to these varieties. This acreage is expected to yield not more than 760,000 bales, which is a rough estimate of probable world demand for these varieties in 1950-51. Cultivation of the shorter varieties is not restricted as demand for them is expected to rise as a result of currency devaluation and dollar scarcity in most of the cotton importing countries. Under these conditions Egyptian Ashmouni and Zagora varieties are becoming more competitive with medium-staple American and other similar growths on European markets.

Cotton acreage in Uganda, estimated at 1,629,000 acres for 1949-50, is 74,000 higher than that of a year ago but production estimated at 260,000 bales is lower by 57,000 bales. Unusually high yields were obtained in 1948-49 under favorable weather conditions while 1949-50 yields were cut sharply by drought. Efforts are being made by the government to increase production through higher yields without increasing acreage because of the need to maintain food production at or above present levels.

In the Anglo-Egyptian Sudan the 1949-50 crop is estimated at 240,000 bales, a decline of 16,000 bales, due to dry weather and lower acreage.

In the Belgian Congo, French Equatorial Africa, Mozambique, and Nigeria, little change is expected from last year's total production of about 510,000 bales. Production in French West Africa is expected to reach 35,000 bales, an increase of 12,000 over that in 1948-49. In Angola, an increase of 8,000 above the 1948-49 crop of 20,000 bales is expected this year.

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This is one of a series of regularly scheduled reports on world agricultural production approved by the Office of Foreign Agricultural Relations Committee on Foreign Crop and Livestock Statistics. For this report, the Committee was composed of C. M. Purves, Acting Chairman, A. W. Palmer, Charles H. Barber, Paul E. Quintus, and Guy L. Bush.





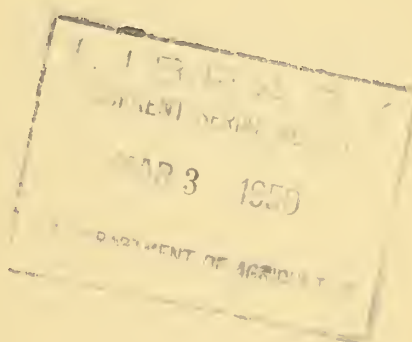
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FC - 2 - 50

FEBRUARY 27, 1950

✓ RECENT OBSERVATIONS  
ON THE  
EUROPEAN MARKET  
FOR  
AMERICAN COTTON ✓



*By*

F. H. WHITAKER  
Agricultural Economist




## F O R E W O R D

The major share of the exports of American cotton has always gone to the United Kingdom and the countries of continental Europe. As is of course generally known, these countries are still in process of recovering from the economic shock of a second World War, following little more than two decades upon the destruction of the first. The economic cooperation of the United States has helped most of these countries to continue their purchases of cotton in the United States, but their reduced dollar income and the difficulty usually encountered in converting their own currency to dollars have operated to stimulate imports of cotton from soft-currency countries where possible and to encourage a rapid increase in the production of rayon.

The Office of Foreign Agricultural Relations has followed the demand situation as it has unfolded in the major cotton-importing countries of Europe and has reported it at intervals since the war. This latest report summarizes the observations of F. H. Whitaker, Agricultural Economist, in Belgium, Denmark, Finland, France, Italy, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

This study was conducted under the provisions of the Research and Marketing Act of 1946. The possibilities of broadening and maintaining foreign markets for other agricultural commodities also are being studied by this Office, and the findings are presented in other circulars and reports that may be obtained, free, from the Office of Foreign Agricultural Relations, United States Department of Agriculture, Washington 25, D. C.

  
Joseph A. Becker  
Chief, International Commodities Branch

## A C K N O W L E D G M E N T

The author wishes to acknowledge the assistance rendered by United States foreign service officers in the countries surveyed, who cooperated by making arrangements, supplying data, and otherwise facilitated this study. He also wishes to express his appreciation to members of the trade and local government officials in these countries for their aid in supplying information on cotton operations there.

The statistics reported here are, as a rule, based upon official reports of the specific country. Where official statistics are not available, the data are taken from the best obtainable source. For this reason, the statistics for some of the countries are reported on a calendar-year basis, while, for others, they are reported by crop years. In time, it is hoped that these data can be obtained for all countries by crop years. As a rule, the data reported for the last year are preliminary.

Since there is a time lag in receipts of cotton and the exported cotton often remains for some time in the ports before it clears customs, the statistics of the importing country will not necessarily agree with those of the producing countries. Then, too, cotton is often diverted to other countries, while in transit, and so never enters the country to which it was originally consigned.

# C O N T E N T S

	<u>Page</u>
Summary-----	1
Countries:	
United Kingdom-----	3
France-----	6
Italy-----	9
Belgium-----	11
Denmark-----	13
Norway-----	14
Sweden-----	16
Finland-----	18
Portugal-----	19
Spain-----	21
Switzerland-----	23
Statistical Tables:	
Belgium-----	24
Denmark-----	25
Finland-----	26
France-----	27
Italy-----	28
Netherlands-----	29
Norway-----	30
Portugal-----	31
Spain-----	32
Sweden-----	33
Switzerland-----	34
United Kingdom-----	35
Comparison of rayon production and cotton consumption---	36



# RECENT OBSERVATIONS ON THE EUROPEAN MARKET FOR AMERICAN COTTON

By  
Francis H. Whitaker  
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## Summary

If adequate supplies were available, 1949-50 cotton consumption in the countries under study would equal or exceed the 6 million bales consumed in 1938-39. These countries need more raw cotton to meet their consumption requirements, and American-type cotton is particularly in demand by European mills. It is especially adapted to their use since much European textile production consists of goods of standard constructions made chiefly from medium staple lengths.

Since United States cotton yields less waste in spinning and generally is priced 3 to 6 cents a pound below comparable types from other countries, it is being given preference to the full extent that dollar exchange is made available. To the extent that cotton from other producing countries is available, importing countries are able partially to offset these price differentials through barter agreements. The United States has the largest amount of medium staple cotton. The 1949-50 supply in the United States, less expected consumption and working-stock requirements is approximately 9.0 million bales. The combined exportable surplus in all other producing countries for this period is around 6 million bales. However, old stock cotton in foreign producing countries is exhausted except in Egypt, where no medium type is produced.

In some of the countries studied it was found that the people would like to barter some of their products for United States cotton. It was reported that barter already is being used among some of the exports and importers of United States cotton. European importers barter for foreign cotton quite extensively, although these arrangements are usually made under over-all bilateral trade agreements to which their governments are the parties. In some of the countries the textile industry feels that cotton is not receiving enough consideration by their governments in the distribution of Marshall aid among the industries.

Consumption in the countries under study during the 1949-50 crop year is expected to be 5.7 million bales, compared with 5.5 million in the 1948-49 season, 5.4 million in 1947-48 and 5.9 million in the prewar season 1938-39. The 1949-50 consumption is expected to exceed 1948-49 consumption in all these countries except Italy, Switzerland, Portugal and Spain. All these countries expect to increase their rayon production.

Rayon production during 1949 in these European countries is estimated to have reached the equivalent of 2.9 million bales of cotton, compared with 1.8 million bales equivalent produced in 1948, 1.6 million in 1947 and 1.2 million during 1938. Plans already have been made to increase rayon production still further during 1950 to 3.3 million equivalent bales. The countries apparently want to be self-sufficient in

cotton fiber substitutes, to the extent that they may become unable to secure cotton. Rayon production also will utilize their labor supplies, and most of these countries expect to build up export markets for surplus rayon production. However, there is a strong consumer preference for cotton, since consumers during the war were obliged to use rayon against their will. Some countries are having trouble getting their mills to take as much rayon staple and rayon filament yarn as they would like for them to take. In some countries, particularly Italy, the rayon interests are reported to be trying to force their cotton mills to use more rayon.

## United Kingdom

Since the war, cotton consumption in the United Kingdom has been increasing steadily, and during the 1949-50 cotton season it is expected to reach 2,150,000 bales. This compares with slightly more than 2,000,000 bales in the 1948-49 season, 1,934,000 bales in the 1947-48 season and about 2,700,000 bales during the 1938-39 crop year. It is planned to increase cotton consumption in each of the next two years (1950-51 and 1951-52) by no less than 5 percent.

There has been a steady increase in the number of spindles in operation. The average number operated per week was 17.04 million in 1945, 20.37 million in 1946, 21.75 million in 1947, 25.11 million in 1948, and about 26.4 million during the first three quarters of 1949. Weekly average cotton yarn production was 11.50 million pounds in 1945, 12.72 million in 1946 and 1947, 15.23 in 1948, and about 15.57 million pounds during the first three quarters of 1949. The number of workers on the books of the spinning mills has also increased, but generally the number of full-time workers engaged has not increased. The increase in production is due primarily to experience gained by the workers. England is trying to bring in trained mill workers from other countries, and a small number have been received from Italy for trial.

The British are doing everything possible to recapture a great share of the world textile markets. They have recently assembled and put on display more than 5,000 samples illustrating current overseas tastes in textiles, color, design and style. The purpose of this is to assist United Kingdom textile manufacturers in studying patterns and materials being produced by their competitors. Over half the exhibit was from the United States and that part was studied very closely by the British people with a view to producing as much as possible for the American market.

For additional aid in acquainting the British textile manufacturer with more improved methods of production, six spinners and six weavers visited the United States in late 1949 to study American techniques which they hoped would help them to improve efficiency in British mills. The teams, which included members of the managerial, technical and operative grades made an eight-weeks' tour of American cotton mills.

The raw cotton stock position of the United Kingdom was better at the end of the calendar year 1949 than it was at the end of 1948. It was also slightly higher than at the end of the prewar year 1938. At the end of October 1949, raw cotton stocks were reported at 1,465,000 bales; at the end of 1948 stocks were 1,204,000 bales; at the end of 1947 they were 1,545,000 bales; at the end of 1946 stocks were 1,815,000 bales, and at the end of 1938 stocks were 1,451,000 bales.

During the 1949 calendar year, heaviest imports were from the United States. Of the 2,144,000 bales imported, thirty-nine percent of the cotton imported came from the United States, 17 percent from Egypt, 12 percent each from Brazil and Sudan and the balance from British Africa, India, Peru, and other countries.

During the calendar year 1948, of the 1,727,000 bales imported the United States ranked second in exports of raw cotton to the United Kingdom. Egypt was first with 31 percent, the United States supplied 22 percent, Brazil 16 percent, Sudan 10 percent, and British Africa, India, Peru and



other countries supplied the balance. Before the war (1938) the United States furnished the largest volume of raw cotton to the United Kingdom. Of 2½ million bales imported that year, the United States supplied 37 percent, Egypt 21 percent, India 14 percent, Brazil 9 percent, Sudan and Peru 7 percent each and other countries the balance.

The weekly average of cotton yarn production has shown progressive increase since 1945 when it averaged 11.5 million pounds. Average weekly production for the first three-quarters of 1949 was 15.6 million pounds; in 1948 weekly production averaged 15.2 million pounds while in 1947 and 1946 it averaged 12.7 million pounds.

Along with increased yarn production there has been an increased export of cotton yarns. The monthly average for exports of yarn by years in million pounds are as follows:

<u>Year</u>	<u>Monthly average</u>
1938	10.25 Million pounds
1945	1.34 " "
1946	1.61 " "
1947	2.22 " "
1948	4.92 " "
1949	* 7.04 " "

\* First 10 months for the year 1949.

There has also been a pronounced increase in rayon production in the United Kingdom. During 1938 it produced the equivalent of 310,000 cotton bales, 1947 production was 468,000 equivalent bales, 1948 production was 536,000 equivalent bales and 1949 production is estimated to have been 647,000. The estimate for 1950 is 870,000 and by 1951 a production of almost 1 million equivalent bales is expected.

In showing rayon production in this report in terms of 500 pound equivalent bales of cotton, it is not intended to infer that every bale of rayon comes into direct competition with a like amount of cotton. When sufficient quantities of both fibers are available along with ample currency exchange for their purchase, the various fibers normally fall into preferred uses. Competition is keener now, however, because of lower prices for rayon and shortage of dollar exchange.

Rayon yarn consumption also has shown a progressive increase since the war. Weekly average consumption in million pounds is as follows:

<u>Year</u>	<u>Weekly average</u>
1945	1.6 Million pounds
1946	1.9 " "
1947	2.2 " "
1948	2.8 " "
1949	* 3.0 " "

\* 1949 is for the approximate weekly average of first ten months.

Exports of rayon yarn likewise have been on the increase. The monthly average of exports in million pounds of single yarn is reported as follows:

<u>Year</u>	<u>Monthly average</u>
1938	.63 Million pounds
1945	1.13 " "
1946	1.31 " "
1947	1.21 " "
1948	1.90 " "
1949	* 1.76 " "

\* The 1949 figure is the average for the first eleven months.

## France

Cotton consumption in France during the 1948-49 crop year amounted to 1,061,000 bales. This compares with 1,103,000 bales in 1947-48 and 1,316,000 bales during the prewar season, 1938-39. Consumption in the 1949-50 crop year is expected to equal 1,100,000 bales. If sufficient raw cotton supplies were available, consumption would equal or exceed that of the prewar period. Present plans call for France to import about 96,000 bales a month. The trade reports it needs monthly about 110,000 bales. Imports totaled 1,079,000 bales during the 1948-49 crop season. Of the cotton imported last year, 66 percent of it was from the United States, 11 percent from the French Colonies, 14 percent from Egypt, 6 percent from Brazil, 3 percent from India, and the balance from other countries.

Carry-over cotton at the end of the 1948-49 year was 318,000 bales, which is about a  $3\frac{1}{2}$  months supply. Of this amount 186,000 bales were American cotton, 64,000 bales Colonial, 56,000 bales Egyptian, 12,000 bales Indian, and the balance was from other countries. At the beginning of the 1948-49 crop season, stocks were approximately 291,000 bales of which 85,000 were United States cotton. Stocks of cotton at the beginning of the 1947-48 season were 584,000 bales of which 307,000 were United States cotton. In 1949-50 France expects to import about 700,000 bales from the United States, about 150,000 bales from Egypt, 100,000 from Pakistan, 120,000 bales from the Colonies, and the balance from such countries as Mexico, Peru, Belgium Congo, India, and Turkey. Of the cotton imported during the 1948-49 season from America, 44 percent was strict middling  $31/32$ " and longer, and 31 percent middling  $31/32$ " and longer. Because of ERP requirements 12 percent of the cotton purchased consisted of low middling and strict good ordinary. French spinners insist that the use of low grade cotton causes them serious production difficulties since in many instances their mills are not properly equipped for the extensive cleaning required. In the pre-war years France's imports consisted largely of high grade cotton equivalent to strict middling or better. During the past year there has been a steady trend toward direct purchases of American cotton by individual French mills with a concurrent decline in GIRC imports. In June 1948 GIRC purchased about 50,000 bales of American cotton while individual firms imported only 17,000 bales directly. In June 1949 GIRC's purchases amounted to only about 800 bales compared with direct mill imports of around 60,000 bales. It is expected that GIRC will continue to purchase relatively small amounts of cotton for small spinners during the 1949-50 season, but that the bulk of imports will go direct to spinners.

During the 1948-49 season the cotton that the French received from their overseas colonies was generally short staple of  $7/8$ ". Fifteen percent of the cotton obtained from Egypt was very long staple, 40 percent long, and 45 percent medium. The French report that the cotton they received from Brazil during the past season was inferior to imports of the preceding season and the grades were below contract specifications. The Pakistan cotton was generally low grade and short staple. About one-third of it was used for the manufacture of cotton wadding.

An analysis of annual and monthly statements of the Syndicat General de L'Industrie Cotonniere Francaise discloses the following data relating to equipment in place and the number of workers employed.



	No.Spindles 1000	Percent of 1938	No.Looms 1000	Percent of 1938	No.Em- <sup>a</sup> ployees 1000	Percent of 1938
Dec. 31, 1938	9,521	100	187.6	100	164.8	100
Dec. 31, 1945	8,365	87.8	165.2	88	89.3	54.1
June 30, 1947	8,516	89.4	167.7	89.3	226.6	76.8
June 30, 1948	8,244	86.6	168.2	89.6	138.7	84.2
June 30, 1949	8,083	84.9	187.4	99.9	157.4	95.5

a) Spinning and weaving

It will be noted that the number of looms in place has grown steadily since 1945, while the number of spindles has declined slightly. A considerable number of looms have been manufactured in France or imported since 1945, but there has been little production of spinning machinery and virtually no imports since 1940. The apparent priority given to loom replacement resulted from the antiquated state of French looms in 1945, while spinning equipment was relatively more modern. The reduction in the number of spindles in place probably reflects some cannibalization of machinery to provide spare parts for other machines.

Production of cotton yarn in 1948 averaged 18,672 tons monthly. During the first quarter of 1949 it rose slightly to a monthly average of 18,703 tons and during the second quarter the monthly average was 20,450 tons, only slightly below the 1938 average of 20,810 tons. In view of an unsatisfied cotton goods market in France and its overseas territories and inventories which are far below prewar stocks, it appears likely that the rate of production attained during the second quarter of 1949 can be maintained and could be increased provided sufficient quantities of raw cotton and electric power were made available. Since the quantity of cotton used by spinners during the second quarter of this year averaged about 98,000 bales monthly, it appears likely that the industry could probably employ at least 101,000 bales per month during the 1949-50 season if it was available.

The biggest draw-back to the industry in 1950 is the probability of electric power cuts as a result of the 1949 drought. In an attempt to avoid any drastic cut in power supply, the industry is emphasizing to the French government that reduced production might lead to increased prices for cotton goods, a development which would be a serious blow to the government's campaign to hold inflation in check.

The production of rayon staple and rayon filament yarn also is increasing in France. In 1938, the equivalent of 171,000 bales of cotton was produced, production amounted to 292,000 in 1947, 382,000 in 1948, 550,000 bales are expected in 1949, and in 1950 rayon production is expected to reach 660,000 equivalent bales.

Cotton spinners' reports for the twelve months' period ending June 30, 1949, indicate a consumption of 232,504 tons of cotton and 10,160 tons of rayon staple. Thus, the proportion of rayon staple to raw cotton used in manufacturing cotton yarn was approximately 4.3 percent.

In view of the probable cotton supply not being sufficient to meet the needs, the use of rayon staple may be increased. Such substitution was given an added incentive as an incidental result of the devaluation of the

franc on September 20, 1949. French spinners who formerly bought American cotton at an exchange rate of \$1 = 272 francs will now have to purchase at a rate of \$1 = 350 francs, an increase of almost 29 percent in terms of francs.

While cotton from the United States will cost more per pound, CIF Le Havre, the average price of rayon staple suitable for admixture with cotton is likely to remain unchanged, since there will be no appreciable increase in the franc cost of raw material imports used for manufacturing rayon.

Nevertheless, even though rayon staple may thus become relatively more attractive in price, the extent to which it can be substituted for cotton is limited. Many countries have a much higher customs duty on cotton goods containing more than 10 percent rayon; consequently, French manufacturers, who seem to feel that it would be impractical to produce one type of cloth for the home market and another for export, would be extremely reluctant to use an admixture of rayon staple in excess of 10 percent whether in the form of mixed yarn or mixed fabric. Thus, the use of rayon staple in cotton fabrics is unlikely to exceed the equivalent of 140,000 bales of cotton per year under any circumstances, and it will probably be much less. Furthermore, with the expected short cotton supply in France in 1949-50, it is probable that France will import all the American cotton for which dollars can be procured and that rayon staple will tend to compensate for the short supply of cotton rather than reduce the market for it.



## Italy

The cotton consumption in Italy for the 1949-50 crop season is expected to be 875,000 bales. This would be 4 percent less than the 913,000 bales consumed in the 1948-49 period, and would compare with 873,000 bales in 1947-48, 711,000 bales in the 1938-39 period. The primary factors involved in the reduction of cotton consumption in the 1949-50 crop season are the diminishing sales of yarns for export and domestic use and the increased consumption of artificial fibers.

Rayon production has advanced from 631,000 equivalent cotton bales in 1938 to an expected production of 1,061,000 equivalent bales for 1949 and 1950. Rayon is offered to the mills on more liberal credit terms than terms offered for cotton. Reports are the mills are allowed approximately 6 months credit on rayon purchases while the credit for cotton depends upon the importer and he as a rule is unable to meet such credit competition. It is also reported that the rayon yarn and staple fiber production is controlled by only a few firms which are trying to press the textile mills using cotton to use rayon and are threatening to invoke an old Italian law of the Fascist regime which required the textile industry to use from 25 to 40 percent of nationally produced fibers in order to decrease Italy's dependence upon cotton and wool imports. In 1949 about 87 percent of all yarn production was of pure cotton while in 1948 it was 94 percent and in 1947, 98 percent.

Preliminary estimates of cotton imports into Italy for the 1949 calendar year totaled 910,000 bales, of which 75 percent came from the United States, 15 percent from Egypt, and the balance from Brazil, India, and other countries. This compares with imports of 638,000 bales during 1948; 946,000 during 1947; and 864,000 in 1946. The United States supplied about 40 percent of the Italian cotton imports in 1948 and a little less than 50 percent of the imports in 1947 and 1946, while Egypt and Brazil, during these three years (1946-48, inclusive), each supplied about 20 percent of the cotton imports. In the five year (1934-38) pre-war period, Italy imported 703,000 bales, of which 62 percent comes from the United States, 18 percent from Egypt, 12½ percent from India, and the balance from other countries. Stocks of raw cotton in Italian mills on the first of October 1949 were 234,000 bales and were the lowest since January 1, 1949, when stocks were reported at 215,000 bales. Based on the average consumption for the first 9 months in 1949, such stocks are sufficient for a little over 3 months. However, cotton yarn stocks at both spinning and weaving mills on October 1, 1949 were reported at 22,579 metric tons, which was higher than the monthly average stocks for 1948.

Sales of cotton yarn for export for the first 10 months in 1949 averaged at a monthly rate of only 1,087 metric tons, compared with a monthly rate of 1,661 metric tons for 1948. However, the actual export of cotton products for the first 10-month period of 1949 was 48,643 metric tons, compared with 38,734 metric tons for the same period in 1948. Although the exports of all textile fabrics for the first 10 months of 1949 were well above those for 1948, the exports of yarns, fibers, and



raw silk showed a considerable decline compared to the previous year. Cotton and wool fabrics were well below prewar levels, while artificial fibers and fabrics were over 300 percent above 1938.

The monthly average cotton yarn production for the first 10 months in 1949 was 14,894 metric tons, compared with the 1948 monthly average of 13,293 metric tons, but was 5 percent less than that produced in the 1948-49 cotton crop year. Yarn production of artificial fiber and mixed averaged 2,177 metric tons monthly for the first 10 months of 1949 compared with a monthly average of 914 metric tons in 1948.

The cost of American cotton (middling 15/16 October 27, 1949) to Italian spinning mills in Italian lire has increased about 5.4 percent since the latest devaluation of the lira (simultaneously the pound sterling). While c.i.f. prices for American cotton at the port of Genoa have shown a slight downward trend recently, the downward adjustment of the lira of about 8 percent was greater than the small reduction in American prices. Egyptian cotton price quotations had increased before and after the pound devaluation, but, with the 30 percent devaluation, Egyptian prices are now well below previous levels and consequently Italian interest in these growths has increased. Indian cotton prices are also lower.

The Italian raw cotton quotations at spinning mills including transportation cost, various taxes, etc., are quoted as follows:

Raw Cotton Quotation October 27, 1949

Growth	:	Italian lire	:	United States dollars 1/
	:		:	
	:	<u>Per kilo</u>	:	<u>Per pound</u>
	:		:	
United States 15/16 M---	:	520	:	\$0.388
Indian Bengal, fine-----	:	327	:	.238
Egyptian, uppers-----	:	677	:	.493
Egyptian, long-----	:	820	:	.597
	:		:	

1/ 624 lire to \$1.00 (United States).

There were about 5,541,000 cotton spindles in Italy in October 1949. According to available statistics, this is the largest number on record. The previous record number was in 1935 when there were 5,504,000 cotton spindles. The low point during the past 20 years was in 1944, when there were 4,953,000. However, this number has been gradually increasing since the war.

## Belgium

Cotton consumption in Belgium during the 1949-50 season is expected to be 380,000 bales. This compares with 371,000 bales in the 1948-49 crop year, 405,000 in 1947-48, and 321,000 in the prewar season 1938-39. Of the cotton consumed in 1949-50, approximately 150,000 to 170,000 bales are expected to be imported from the United States. Belgium expects to use around 90,000 bales of Belgian Congo cotton and about 25,000 bales each from Mexico, Peru, Pakistan and India, with additional small amounts from Egypt and Brazil.

Belgium has made a quicker recovery in cotton consumption than any other European country. When the war ended Belgium had a substantive balance of dollars and ample credit, and so was able to buy cotton from the United States without difficulty. Belgium was able to take advantage of a strong demand, both domestic and foreign, for cotton textiles. That accounts for the high Belgian consumption in the 1947-48 crop season. By the 1948-49 season domestic demand created by war scarcities had been satisfied to a large extent, which accounted for the reduction in consumption from the two previous years. Also, demand from certain other countries, such as the Netherlands, had declined. Before the war these countries filled a substantial percentage of their yarn needs with imports from Belgium. Since the war, however, Belgium has not bought sufficient commodities from these prewar yarn customers for them to have enough Belgian francs to maintain their yarn purchases. So, with domestic consumption and exports both down, yarns began to pile up in Belgium and consumption of cotton was curtailed.

In late 1949, however, export demand for cotton yarns and cotton goods revived. As a result, spinning activities have risen sharply in the past few months and are now operating at about full capacity. The monthly average yarn production in 1938 was 6,256 metric tons; it was 6,703 in 1948, and averaged 6,954 for the first 10 months of 1949. In the last two months of 1949, average monthly yarn production ran around 7,700 metric tons.

During the first 10 months of 1949 Belgium imported about 317,000 bales of cotton, of which about 51 percent was shipped from the United States, 22 percent from the Colonies, and the balance from India, Peru, Brazil, Egypt, and other countries. In 1948, 31 percent of Belgium's cotton came from their colonies, 26 percent from the United States, 14 percent each from Brazil and India, and the balance from Egypt and other countries.

Until very recently, Belgium has been buying United States cotton with free dollars and using her ECA credits for other purposes. Lately, however, Belgium has started buying some cotton under the ECA program. Belgium naturally uses Congo cotton if it is available, although the mother country never takes all the Congo's export production but supplies some of it to other markets in order that such markets may be retained. Except for the Congo product, United States cotton ordinarily receives preference in Belgian markets.

During the postwar years, the United States has run second only to

the Congo as a supplier of cotton to Belgium. Belgium has been buying some cotton from Mexico, however. Mexico always prices her cotton slightly under United States cotton, but on the Ghent market United States cotton is priced around 3 cents a pound below comparable cotton from other countries, except Mexico.

According to reports, there were 1,984,000 spindles in Belgium in 1939. This number was reduced to 1,900,000 in 1948 and 1,850,000 in 1949. A new mill now being installed should raise the number to around the 1939 level.

Rayon production in Belgium in the 1948 season was the equivalent of 111,000 cotton bales. This compares with 108,000 in 1947 and 30,000 in 1938. Production was expected to be 138,000 equivalent bales in 1949 and 143,000 equivalent bales in 1950. Three plants are making rayon in Belgium and, as in other European countries, they hope to capture some of cotton's markets, both domestic and foreign.



## Denmark

Cotton consumption in Denmark during the 1948-49 crop year was 36,000 bales. This compares with 34,000 bales in the preceding year and 37,000 bales in 1938-39. Consumption in 1949-50 is expected to reach 40,000 bales.

In 1948-49 Denmark imported a few less than 36,000 bales, about 90 percent of it from the United States and the balance mostly from Brazil. During the first 9 months of the calendar year 1949, Denmark imported 19,200 bales of which 18,000 came from the United States and was financed through Marshall aid. During 1948 Denmark imported about 34,000 bales, 36 percent of it from the United States, 53 percent from Brazil and the balance from Peru, Egypt and India. In 1947, Denmark bought no cotton from the United States, although it imported a total of 32,000 bales, 48 percent of which was shipped from Brazil, 29 percent from Russia, 19 percent from Egypt, and the balance principally from India. In 1938 about 40,000 bales were imported and all except about 10 percent came from the United States; the balance was shipped from Brazil, India, Egypt and a few other producing countries.

Much of the equipment and machinery of the spinning and weaving industry are reported to need repairing because of long usage. The mills are replacing worn-out equipment as fast as new machinery is made available. Much of the new machinery is being secured from the United States.

Denmark has 5 major spinning mills using about 115,000 spindles. This compares with 100,000 spindles being used in 1938. The average age of the spindles is about 19 years. The mills are trying to replace 10 percent of them each year until about one-half have been replaced. They figure that after 1952 replacement will have to be made at about 8 percent a year. They also would like to add about 10,000 spindles a year until 1952. These 5 spinning mills employ 2,100 people and the weaving mills 3,800. About 64 percent of the workers are women. The entire textile industry employed 22,300 people on April 1, 1949, compared with 16,000 in 1939.

Cotton has been the most strictly controlled branch of the Swedish textile industry during the postwar period. After October 1, 1949, regulations specifying the type of yarn that could be used were abolished under an agreement by producers that they would not reduce the production of work clothes, shirting and sheeting materials. Approximately 80 percent of all cotton goods were under maximum price regulations, which since have been abolished.

With the relaxation of various restrictions it is now possible for producers to make the type of goods they can most efficiently produce. It is expected that modernization will increase productive capacity in the spinning and weaving mills, and that production costs will be lowered and that Denmark will be in a better position to compete on the world market for cotton goods.

Denmark produces no rayon staples or filament yarn.

## Norway

Cotton consumption in the 1948-49 crop year is reported at 17,000 bales. This compares with 16,000 for the preceding season and 11,000 for the crop year 1938-39. Consumption for the 1949-50 season is expected to be 25,000 bales and plans call for approximately 36,000 in 1950-51 and 46,000 by 1952-53.

During the crop year 1948-49 Norway imported 21,700 bales, of which 14,800 were shipped from the United States, 2,600 bales each from Brazil and Peru, and 800 from India. During the calendar year 1947 Norway imported 16,800 bales, of which 33 percent was shipped from the United States, 42 percent from Brazil, and the balance from Peru, India, and other countries. Like the other Scandinavian countries, Norway prefers United States cotton. Norway would buy more United States cotton if it could sell more wood pulp and newsprint in the United States.

In 1938, Norway had only 46,000 spindles. In 1949 there were 70,000 spindles in operation, half of them operated on one daily shift and half operated on two shifts a day. By 1950 Norway hopes to increase the number to 95,000 and to have them all operated on two shifts per day. The new spindles, which are modern and automatic, are coming mostly from England. Labor shortage has been one of the principal problems limiting the expansion of textile production.

Norway is now producing only about 40 percent of the yarn it consumes. The remainder is obtained from England through trade agreements. Before the war, yarns were imported mostly from Belgium but, because of exchange shortages, very little yarn is being imported from that source now. Norwegians say they would like to buy both their cotton and their yarns from the United States where prices are lower.

Norway's five mills all do both spinning and weaving, and there is a ready domestic market for all textiles that can be produced since the principal textiles are rationed. Norway is one of the few European countries still rationing textiles. There is a pent-up demand as a result of the war. During the war, non-durable yarns were produced and fabric was woven from paper and rayon yarns.

Norway has two rayon factories; one produces rayon filament, the other rayon staples. In 1938, Norway produced a quantity of rayon equivalent to 1,000 bales of cotton. By 1948, production had increased to 37,000 equivalent bales and production in 1949 was expected to reach 50,000 equivalent bales. These rayon mills expect to increase production 10 percent in 1950 and 20 percent by 1952.

Norway's prewar textile equipment needs modernization. Some of it is in bad condition due to the use of inferior materials in spinning during the war. During that period it was impossible to import equipment and spare parts. The government hopes to modernize these plants.

As in other Norwegian industries, the textile industry is regulated by the government. The government estimates requirements before granting any import licenses, and, because of the shortage of foreign

exchange, applications for import licenses, whether of raw cotton or machinery, must be screened very carefully. Norway engages in considerable barter with other countries, and there are many instances of the exchange of commodities without the expenditure of any foreign exchange.



## Sweden

At the time this study was made in Sweden, prospects were not very bright for imports of United States cotton into that country. ECA credit had been allocated by the Swedish Government to other commodities and no request had been made for United States cotton under ECA funds. Sweden considers it desirable to cover its cotton requirements by imports from Brazil, Egypt, and India, and to use its dollars to buy United States goods unobtainable elsewhere. Swedish textile mills prefer the type and quality of cotton produced in the United States, but they are having difficulty in getting their government to allocate dollar credit towards the purchase of United States cotton. During August, Swedish mills persuaded their government to buy some cotton in the United States and they succeeded in securing the purchase of 5,000 bales along with a promise that more would be authorized later. Sweden would buy more cotton from the United States if it could barter forest products for it or substantially increase its sales to the United States.

Sweden began the 1948-49 crop year with about 79,000 bales, of which around 12,000 bales were United States cotton. During that season the country imported 107,000 bales, of which 900 bales were United States cotton. In 1948-49 approximately 50 percent of Sweden's imports came from Brazil, 15 percent from Egypt, and 10 percent from Turkey, with the remainder divided among other countries. In 1938 and the 5 calendar year periods immediately preceding the war, about 85 percent of Sweden's cotton imports were shipped from the United States, 8 percent from Egypt, and the remainder from Brazil, Egypt, India, and other countries.

Cotton consumption in Sweden during the 1948-49 crop season was 116,000 bales. This compares with 122,000 bales in 1947-48 and 157,000 in the 1938-39 crop season. Consumption in the 1949-50 season probably will be between 125,000 and 135,000 bales.

Sweden's rayon production has jumped from the equivalent of 13,000 bales of cotton in the calendar year 1938 to 63,000 equivalent bales in 1948 and a predicted 76,000 equivalent bales in 1949. Sweden has two principal rayon manufacturing plants, one which produces viscose yarn and staple and one which produces only viscose filament yarn.

Sweden's textile industry has never supplied all of the goods needed in the country. Very substantial quantities of yarn and piece goods are still imported from other countries of Europe to supplement the domestic supply.

The Swedish textile industry is interested in improving its production and is contemplating sending a mission to the United States to study techniques with a view to putting those techniques into operation in Swedish mills. The industry has already improved its

equipment under a tax incentive offered by the government. The industry made high profits during the war and general tax deductions were allowed for plant modernization.

Exports of raw cotton and cotton products from Sweden are licensed. All cotton imports have been subsidized from public funds since 1946 to stabilize consumer prices of cotton goods. The amount of the subsidy is determined by the State Price Control Board and varies from time to time. During the second half of 1949 the subsidy amounted to the equivalent of about 1.75 cents per pound. It is expected to be increased in 1950. Sweden's weaving capacity is larger than its spinning capacity and about one-fifth of Sweden's cotton yarns must be imported. Sweden plans to increase the number of its spindles in order to catch up with yarn requirements.

Finland

During the 1949-50 crop season Finland is consuming about 4,600 bales of cotton per month, but Finnish mills report that 65,000 bales would be consumed in 1949-50 if it were available. In the calendar year 1948, Finland consumed 45,000 bales. Consumption was 47,000 bales in 1947 and 63,000 bales in 1938. Before the war Finland imported around 63,000 bales of cotton annually and during the past 2 years has imported between 45,000 and 50,000 bales annually. These imports have come mostly from the United States, followed principally by Brazil, India, Turkey, and Egypt.

Finland would like to arrange immediately for about 45,000 bales of United States cotton since present stocks were reported almost exhausted. The funds which Finland borrowed to purchase United States cotton have been exhausted and Finland has hesitated to ask for another loan on the terms of previous ones. Postwar cotton loans thus far made by the Export-Import Bank have been for terms of 15 months, but Finland feels it would be difficult to repay a new loan in that length of time and would like a 2 or 3-year period. Finnish importers are also interested in bartering forest products and pig iron for cotton. If unable to arrange for United States cotton, Finland expects to supply its immediate needs from Turkey and Russia. Traditionally Finland has purchased most of its cotton from the United States, which is preferred because of its high quality and low spinning waste.

Rayon production in Finland started in 1938 when about 75 thousand pounds were produced. By 1949 it had increased to about 13.8 million pounds or 32,000 equivalent bales of cotton. Plans call for a further 10 percent increase next year. If sufficient cotton were available, rayon consumption in Finland would decrease.



## Portugal

Cotton consumption in Portugal is expected to be 150,000 bales in the 1949-50 crop year. This compares with 151,000 in 1948-49, 157,000 for the preceding year, and 89,000 for the prewar 1938-39 season.

The United States has not exported any cotton to Portugal since the 1941-42 crop season. Portugal depends on its colonies for about 90 percent of its cotton and the balance comes principally from Brazil with smaller amounts from Egypt and India. During the 1949-50 crop year, Portugal expects to double its imports from Brazil. This is made possible by a favorable export-import balance. Since Brazilian cotton is priced at least 3 cents a pound higher than United States cotton, Portugal would like to buy cotton from this country if arrangements could be made. Portugal would also like to enter into an arrangement whereby it could exchange some of its cotton for the longer staples grown in this country.

Portugal's colonies produce staples of one inch and about 80 percent of it is of high grade. However, Portuguese cotton does not have the uniformity and high breaking strength of the United States cotton. The cotton grown in the colonies is imported into Portugal under strict regulations and the mills are receiving it at prices ranging from 20 to 27 cents a pound depending on the grade.

The importation and prices of raw cotton in Portugal are controlled by the Regulating Commission of Cotton Trade, established in May 1937. A limited number of firms are licensed to handle the imports and the Commission fixes the quantity of raw cotton for each importer by sources. Importers and mills are given fixed monthly quotas based on their needs to prevent hoarding of stocks. Imports from foreign countries are authorized only when Portuguese colonial cotton is not available in sufficient quantities.

The importers must pay cash to the Commission for raw cotton imported and cannot sell their stocks to the manufacturer until the Commission issues permits to the mills to buy from the importers.

Portugal is endeavoring to expand its colonial acreage. The main difficulty in expansion is with labor. Laborers cannot be induced to plant large acreage since they prefer to grow only sufficient cotton to supply their cash needs.

The average production in their colonies (Mozambique and Angola) during the 1935-39 crop season was about 46,000 bales of 500 pounds gross weight. During the next 5 years (1940-44) production averaged 117,000 bales, while in the crop season 1947-48 it reached 125,000 bales, and in 1948-49, 139,000 bales.

The Portuguese Government hopes to expand cotton production by introducing mechanized equipment. The colonies recently have imported \$50,000 worth of mechanical cotton farming equipment consisting of two cotton pickers, gin cleaning machinery, tractors, and a variety of

plowing, planting, and cultivation tools with which they plan to experiment. They have had representatives of their government visiting the United States to study cotton mechanization.

The Spanish Civil War, which began in 1936, and Portugal's non-participation in World War II provided unusual opportunities for textile exports to markets normally not available to the Portuguese. These shipments have expanded rapidly and in the past few years have become one of the largest items in Portuguese export trade.

About 93 percent of Portugal's textile mills are located in the northern part where labor is more abundant and there is plenty of water power. The use of private capital with government protection has developed the cotton textile industry into one of the country's leading industries. The cotton textile mills constructed during the past few years have been modern in structure and built in strict compliance with plans approved by the government for worker protection. The spindles are practically all of Swiss manufacture, while the looms are of Swiss, British, and United States manufacture.

Since World War II Portugal has been meeting increased competition for export markets and a gradual weakening of demand for textiles in importing countries as wartime deficits are overcome. The steady development of exports to the Portuguese colonies where protective laws prevail, however, has provided a steady market for most of Portugal's surplus production. Before the war these colonies purchased most of their cotton textile supplies in Japan and the United Kingdom.

In 1947 Portugal exported 13.3 million pounds of cotton textiles, or about 30 percent of the 45.3 million pounds produced. About 98 percent of total exports went to the Portuguese colonies.

The Regulating Commission of Cotton Trade maintains rigid control over cotton mill operations by setting the quantities of cloth and yarn to be produced and prices at which they must sell. The spinning mills are permitted to sell to the weaving mills only allotments of yarn authorized by the Commission.

The government recently has permitted the installation of textile mills in both Angola and Mozambique, which may in time result in curtailments of cotton available for export from the colonies and possibly in some curtailment of imports of Portuguese textiles by these colonies.



## Spain

Cotton consumption in Spain during the 1949-50 crop year is expected to be 375,000 bales. In the previous season, it may have reached 400,000 bales; the year before that 333,000 bales.

Domestic production of raw cotton in Spain for the 1949-50 year is estimated at 15,000 bales of 500 pounds gross weight. Production during the 1948-49 season of 29,000 bales was the highest on record. The highest previous production was the 1944-45 crop of 25,000 bales. (The records begin in 1931 but exclude the years 1936 through 1938 because of the Spanish Civil War.) Production during the 1947-48 season was 13,000 bales and compares with 18,500 bales for the 5-year (1942-46) average. The yields per acre in Spain are very small when compared with United States yields. The average yield of lint cotton in the 1949-50 season was about 51 pounds per acre. This compares with 112 pounds per acre in the 1948-49 season and 62 pounds for the 1947-48 year and 79 pounds for the 5-year (1942-46) average. The highest average yield for which a record is available was 156 pounds of lint per acre in the crop year 1934-35.

Spain, of course, needs to import most of her cotton requirements. In this, that country has experienced considerable difficulty, since it has had very little to offer the raw cotton producing countries in exchange. One of the reasons is that Spain has been undergoing a severe drouth during the past year and a half, and yields and production of its main commodities have been very low. As a result, much of Spain's available exchange is needed for food imports to feed its population. The Government rations bread flour very carefully and also has strict control over its manufacture. Bread is made from wheat mixed with other products as extenders.

Spain hopes to receive cotton monthly from the United States under special credit arrangements made by certain members of the United States cotton trade. The total volume of this credit is reported to be between 5 and 10 million dollars. Should Spain be able to meet its payments on this cotton promptly, additional cotton probably will be provided under a similar arrangement. It is reported that the Spanish exchange bank intends to see that the dollars are paid when due.

Spain has received most of its cotton in the past 4 or 5 years from Brazil and also small imports from India, Egypt, the United States, and others. Spain would like very much to secure credit arrangements to buy around 30,000 bales monthly from the United States. Spanish textile people contend that, if ample credit were given, the loans could be repaid through sales of cotton textile products to other countries.

Spain has made an agreement with Holland to export cotton textiles to Indonesia. In payment, Spain will receive rubber which it expects to convert to dollars to pay for American cotton.

There are approximately 1,900,000 spindles in Spain. Twenty-four percent of them are from 1 to 8 years old, 35 percent from 8 to 25 years old, and 41 percent over 25 years old.

There are 76,698 looms. Of these, 7,416 are automatic, 68,649 are mechanical, and 633 are hand looms.



Most of the mills of any size have been operating at 90 percent of capacity. In the past 2 years, they have been putting in Diesel engines and establishing individual power plants, and they are getting to a point where they do not depend too much upon public power. It is reported that during 1949 most of the mills have been operating on one daily 8-hour shift of 40 hours a week.

Spain is endeavoring to build up rayon production, since it is having so much difficulty securing raw cotton. In 1949, Spain expected to produce 131,000 equivalent cotton bales of rayon. By 1950, the country hopes to step this up to 150,000, and in 1948 and 1947 it manufactured the equivalent of 85,000 bales. In 1938, Spain produced only 5,000 equivalent bales. The Spanish Government is subsidizing the building of a new rayon plant and also is trying to induce outside capital to go in and build plants.

## Switzerland

Consumption in Switzerland during the 1948-49 season was 130,000 bales. This compares with 132,000 the preceding season and 141,000 during the prewar season, 1938-39. The 1949-50 consumption is expected to equal about 130,000 bales.

Imports during the 1948-49 season were around 103,000 bales, of which approximately 44 percent came from the United States, 18 percent from Egypt and Peru, 5 percent from Brazil, 6 percent from the Belgian Congo, 4 percent from Mexico, and the balance from other countries. United States cotton is priced in Zurich at about 500 points below Brazilian cotton and 175 points above Mexican cotton. Ocean freight rates to the United States also were reduced 25 cents per 100 pounds for raw cotton. However, the devaluation of the pound sterling resulted in a 30-percent drop in freight rates from South American countries, as such rates are payable in sterling. Importers are expected to be making use of the benefit while it lasts.

Trade with Egypt involves complicated arrangements. To secure cotton from Egypt, the Swiss importer must find a Swiss exporter who plans to export commodities to Egypt. For each dollar's worth of commodities that go into Egypt, \$1.25 worth of cotton must be bought from Egypt. The transaction must be cleared through the Swiss-Egyptian clearing system.

Compared with the preceding cotton year, Switzerland's total imports fell about 22 percent, but imports from the United States increased more than tenfold, jumping from 4,700 bales to 46,000 bales. Switzerland's import requirements for the 1949-50 cotton year are estimated at from 115,000 to 125,000 bales. The difference between imports and consumption will be drawn from stocks on hand. The stocks on hand on August 1, 1949, were slightly larger than 61,000 bales, of which 31 percent were United States cotton, 21 percent Egyptian, 20 percent Peruvian, 6 percent Brazilian, and the balance Indian, Belgian Congo, and others.

Import requirements are expected to be 20 percent lower than they were a year ago when there was great optimism. Hopes that exports of cotton yarns and piece goods would increase appreciably have now been replaced by determinations to maintain foreign outlets at the present level. Assisting toward this is a trade agreement made with Germany in which Germany agrees to take \$2,000,000 worth of textiles per month for an indefinite period. It is divided into one-third for yarns, one-third for piece goods, and one-third for other textiles.

As in other European countries, rayon production has been expanding in Switzerland. Rayon production was equivalent to 29,000 bales of cotton in 1938, 88,000 in 1947, 91,000 in 1948, and in 1949 and 1950 it was expected to be 103,000 equivalent bales.

TABLE 1.--Belgium: Cotton consumption and imports of cotton from major countries of origin, in bales of 500 pounds gross weight, 1934-48

Year	Consumption <sup>1/</sup>	Imports <sup>2/</sup>						All others	Total
		United States	Belgian Congo	Brazil	Egypt	India			
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
1934-----	343	103	93	27	14	112	48	397	
1935-----	377	137	94	24	16	131	43	445	
1936-----	371	146	117	27	16	167	33	506	
1937-----	366	181	124	26	24	223	38	616	
1938-----	321	159	174	28	15	137	51	564	
1939-----		110	120	33	19	101	50	433	
1940-43-----	<sup>3/</sup>	<sup>3/</sup>	<sup>3/</sup>	<sup>3/</sup>	<sup>3/</sup>	<sup>3/</sup>	<sup>3/</sup>	<sup>3/</sup>	
1944-----	40								
1945-----	274	78	99	28	8	30	53	296	
1946-----	376	97	62	68	13	67	35	342	
1947-----	405	92	99	61	16	107	47	422	
1948-----	371	152	91	9	12	27	51	342	

<sup>1/</sup> Crop year.

<sup>2/</sup> Beginning with 1945, the statistics are on a crop year basis.

<sup>3/</sup> Not available.

<sup>4/</sup> Including 39,000 bales from United Kingdom.



TABLE 2.--Denmark: Consumption and imports of cotton from major countries of origin,  
in bales of 500 pounds gross weight, calendar years, 1934-48

Calendar Year	Consump- tion	Imports					Total
		United States	United Kingdom	Germany	India	All others	
	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>
1934-----	34,000	38,802	609	1,399	196	630	41,636
1935-----	32,000	32,082	2,673	120	115	95	35,085
1936-----	40,000	32,910	5,531	117	0	36	38,594
1937-----	35,000	37,879	3,958	8	0	92	41,937
1938-----	37,000	35,821	1,793	203	570	1,748	40,135
1939-----		34,832	2,326	65	138	4,533	41,894
1940-----							15,537
1941-44 <u>2/</u>							
1945-----	<u>4/</u> 27,000		5,987			13,431	19,418
1946-----	<u>4/</u> 30,000		19,274			13,160	32,434
1947-----	<u>4/</u> 34,000	<u>3/</u>	<u>3/</u>	<u>3/</u>	<u>3/</u>	31,593	31,593
1948-----	<u>4/</u> 36,000	31,879				3,688	<u>4/</u> 35,567

<sup>1/</sup> Netherlands 910 bales.

<sup>2/</sup> Netherlands 2,519 bales.

<sup>3/</sup> Not available.

<sup>4/</sup> Crop year.

TABLE 3.--Finland: Cotton consumption and imports of cotton by major countries of origin, in bales of 500 pounds gross weight, by calendar years, 1934-48

Calendar year	Consumption	Imports						Crop year
		United States	United Kingdom	Germany	Brazil	All others	Total	
		1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	total 1/
1934-----	35	45	9	5	1	2	62	57
1935-----	47	38	12	2	5	1	58	58
1936-----	55	49	6	2	3	0	60	62
1937-----	56	56	5	4	4	1	70	62
1938-----	63	54	5	2/	5	1	65	73
1939-----	61	48	3/	3/	5	3	56	43
1940-----	57	40	3/	3/	3/	6	46	37
1941-----	28	19	0	0	0	0	19	2
1942-----	2	1	0	0	0	0	1	1
1943-----	2/	3/	3/	3/	3/	2/	2/	1
1944-----	2/	3/	3/	3/	3/	2/	2/	12
1945-----	10	0	2	3/	0	25	27	30
1946-----	23	20	1	3/	7	11	39	48
1947-----	47	28	2	3/	18	1	49	30
1948-----	45	36	2/	3/	5	4	45	7/

1/ Year beginning August 1.

2/ Less than 500 bales.

3/ If any, included in all others.

4/ Sweden 21, Russia 4.

5/ Sweden 5, Russia 5.

6/ India 2, Turkey 2.

7/ Not available.

TABLE 4.--France: Cotton consumption and imports of cotton by major countries of origin, in bales of 500 pounds gross weight, year beginning August 1, 1934-48

Crop year beginning August 1	Consump- tion	Imports						Total
		United States	Brazil	Egypt	India	French West Africa	All others	
	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>
1934-----	1,036	542	47	213	193	10	66	1,071
1935-----	1,212	759	69	249	237	10	78	1,402
1936-----	1,192	761	56	216	216	9	76	1,334
1937-----	1,148	720	66	237	148	13	69	1,253
1938-----	1,316	381	149	187	196	16	100	1,029
1939-----	2/	723	112	325	174	10	91	1,435
1940-----	2/	33	3/	3	27	1	22	86
1941-----	2/	2	4/	3/	2	22	17	43
1942-----	2/	2	4/	0	4/	21	17	40
1943-----	2/	0	0	1	4/	4/	0	1
1944-----	116	342	-----	98	14	30	0	484
1945-----	789	956	-----	167	34	108	0	1,265
1946-----	1,148	507	-----	149	46	82	0	784
1947-----	1,103	310	-----	214	162	125	1	812
1948-----	1,061	701	61	154	33	128	2	1,079

1/ Calendar year. Only available source.

2/ Not available.

3/ Less than 500 bales.

4/ If any, included in all others.

5/ Reported as "French Colonial" imports.



TABLE 5.--Italy: Consumption and imports of cotton from major countries of origin, in bales of 500 pounds gross weight, year beginning August 1, 1934-48

Crop year beginning August 1	Consump- tion	Imports					Total
		United States	Brazil	Egypt	India	All others	
	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>
1934-----	814	403	11	143	150	25	732
1935-----	623	401	9	134	122	20	686
1936-----	619	488	34	130	66	35	753
1937-----	700	485	15	120	71	85	776
1938-----	711	303	44	105	51	71	574
1939-----	643	410	46	109	35	64	664
1940-----	476	40	4	2	2	6	54
1941-----	115	8	2/	2/	2/	2	10
1942-----	60	1	0	0	0	4	5
1943-----	51	0	0	0	0	7	7
1944-----	9	0	0	0	0	0	0
1945-----	345	282	97	80	0	33	492
1946-----	884	573	219	237	18	90	1,137
1947-----	873	223	101	197	92	20	633
1948-----	913	575	108	101	57	74	915

1/ Calendar year.

2/ Less than 500 bales.

3/ If any, included in all others.

TABLE 6.--Netherlands: Consumption and imports of cotton from major countries of origin, in bales of 500 pounds gross weight, 1934-48

Year	Consumption 1/	Imports						Total
		United States	Brazil	India	Belgium	Egypt	All others	
		<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>
<u>Calendar years</u>								
1934-----	190	94	13	39	18	4	26	194
1935-----	220	72	13	33	25	3	34	180
1936-----	246	77	19	39	37	3	44	219
1937-----	260	124	13	49	39	7	45	277
<u>Crop years</u>								
1938-----	260	73	2/	37	2/	8	116	234
1939-----	258	133	31	14	12	5	34	229
1940-45 3/-----								
1945-----	114	63	30	24	3	1	17	138
1946-----	182	104	38	27	10	6	32	217
1947-----	220	69	40	21	2	8	63	203
1948-----	245	142	10	23	5	9	49	238

1/ Crop year.

2/ If any, included in all others.

3/ Not available by months from April 1940 to August 1945.

TABLE 7.-- Norway: Cotton consumption and imports of cotton from major countries of origin, in bales of 500 pounds gross weight, by calendar years, 1934-48

Calendar year	Consump- tion	Imports							Total
		United States	United Kingdom	Brazil	Germany	Sweden	All others		
		Bales	Bales	Bales	Bales	Bales	Bales	Bales	
1934	11	10,980	429	0	475	113	218	12,215	
1935	11	11,935	38	524	323	5	498	13,323	
1936	11	15,269	61	1/	131	14	1,200	16,675	
1937	12	14,878	24	254	22	1/	1,610	16,788	
1938	11	13,786	32	195	59	1/	1,108	15,180	
1939		14,678	90	1,943	1/	1/	1,604	18,315	
1940								2/	
1941								2/	
1942		0	0	0	68	0	698	766	
1943		0	0	0	216	0	1,320	1,536	
1944		0	0	0	11	0	156	167	
1945	13	6,652	1,041	14,981	0	2,122	954	25,750	
1946	15	872	0	2,234	0	0	1,905	5,011	
1947	16	3,282	43	7,240	1/	1/	3,744	14,309	
1948	17	14,811	1/	2,604	1/	1/	4,239	21,654	

1/ If any, included in all others.

2/ Not available.

3/ Crop year.

4/ Peru 1,726; India 1,576.



TABLE 8.--Portugal: Consumption and imports of cotton from major countries of origin, in bales of 500 pounds gross weight, calendar years 1934-48

Calendar year	Consumption	Imports						Total
		United States	Brazil	Egypt	India	Portuguese Colonies <sup>1/</sup>	All others	
	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>
1934-----	79	51	25	3	3	12	6	100
1935-----	79	59	20	5	4	14	6	108
1936-----	98	44	11	6	4	25	5	95
1937-----	95	36	31	9	8	52	3	139
1938-----	89	39	28	8	3	48	2	128
1939-----	89	8	19	9	2	50	0	88
1940-----	107	17	41	10	3	39	1	111
1941-----	122	16	41	3	1	45	1	107
1942-----	100	0	12	6	1	86	1	106
1943-----	86	0	0	4	0	79	0	83
1944-----	96	0	15	6	0	133	0	154
1945-----	125							107
1946-----2/	147	0	0	7	0	110	0	117
1947-----2/	157	0	8	3	0	103	0	114
1948-----2/	151	0	32	5	2	113	0	152

<sup>1/</sup> Angola and Mozambique.  
<sup>2/</sup> Crop year.

TABLE 9.--Spain: Consumption and imports of cotton from major countries of origin,  
in bales of 500 pounds gross weight, calendar years 1934-48

Calendar year	Domestic : raw cotton : production :	Consump- tion	Imports					Total
			United States	Brazil	Egypt	India	All others	
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
1934-----	8.3	435	298	0	82	59	18	457
1935-----	11.7	363	255	0	109	50	33	447
1936-----	1/	82						1/
1937-----	1/	152						1/
1938-----	1/	140						1/
1939-----	6.4 : 1/		32		5	3	18	58
1940-----	6.9	112	245		23	5	54	327
1941-----	13.5	266	0		26	0	205	231
1942-----	19.0	395	0	194	0	3	94	291
1943-----	21.4 : 1/		182	137	0	0	70	389
1944-----	25.8	445	214	32	14	0	110	370
1945-----	7.8	351	335	92	5	29	48	509
1946-----	22.8	324	113	132	7	24	33	309
1947-----	14.0	333	3	114	35	100	0	252
1948-----	30.5	425	33	222	18	53	34	360

1/ Not available.  
2/ Crop year.

TABLE 10.--Sweden: Consumption and imports of cotton from major countries of origin, in bales of 500 pounds gross weight, calendar years 1934-48

Calendar year	Consumption 1/	Imports						Total
		United States	Germany	Egypt	Brazil	All others		
		1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	
1934-----	100	96	37	8	2/	8	149	
1935-----	100	89	25	8	2/	8	128	
1936-----	110	132	3/	10	3	4	149	
1937-----	120	127	3/	15	9	6	157	
1938-----	157	144	3/	13	6	5	168	
1939-----		181	3/	18	12	5	216	
1940-----	97	87	3/	4	2/	2	93	
1941-----	74	72	3/	0	3	1	76	
1942-----	65	11	3/	1	133	3	148	
1943-----	65	0		0	79	5	84	
1944-----	78	5	0	0	153	2	160	
1945-----	75	1	0	2/	37	18	56	
1946-----	120	8	0	6	53	19	86	
1947-----	121	27	0	3	35	15	80	
1948-----	116	1	0	16	53	37	107	

<sup>1/</sup> Crop year.

<sup>2/</sup> Less than 500 bales.

<sup>3/</sup> If any, included in all others.



TABLE 11.--Switzerland: Consumption and imports of cotton from major countries of origin, in bales of 500 pounds gross weight, year beginning August 1, 1934-48

Year beginning August 1	Consump- tion	Imports					Total
		United States	Brazil	Egypt	India	All others	
	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>
1934-----	114	31	2	67	10	8	118
1935-----	110	34	1	56	11	13	115
1936-----	132	37	2	78	17	16	150
1937-----	131	44	1	78	8	19	150
1938-----	141	21	1	87	11	18	138
1939-----	1/	77	1	68	8	18	172
1940-----	96	7	2/	1	2/	36	44
1941-----	47	9	1	5	1	8	24
1942-----	1/	1	1	5	1	0	8
1943-----	1/						3/ 3/
1944-----	8						2/ 3/
1945-----	86	30	32	27	5	77	171
1946-----	123	10	25	39	7	46	127
1947-----	141	6	24	32	13	58	133
1948-----	132	45	5	19	1	33	103

1/ Not available.

2/ Less than 500 bales.

3/ Calendar year.

TABLE 12.--United Kingdom: Consumption and imports of cotton from major countries of origin,  
in bales of 500 pounds gross weight, year beginning August 1, 1934-48

Crop year beginning August 1	Consump- tion 1/	Imports									
		United States	Egypt	India	Brazil	Peru	Anglo- Egyptian	British: West Africa	All others	Total	
		1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	
1934-----	2,591	782	481	338	263	170	115	65	139	2,353	
1935-----	2,836	1,452	593	463	178	164	138	68	117	3,173	
1936-----	3,037	1,219	655	537	290	187	159	66	210	3,323	
1937-----	2,550	1,643	591	301	214	177	144	48	82	3,200	
1938-----	2,690	446	603	395	214	192	217	56	76	2,199	
1939-----	2,993	1,982	645	381	304	201	56	69	108	3,746	
1940-----	2,110	432	230	241	125	44	61	72	137	1,342	
1941-----	1,775	811	638	533	229	37	197	103	161	2,709	
1942-----	1,500	1,009	241	117	53	37	53	119	87	1,716	
1943-----	1,675	663	417	174	326	76	211	46	177	2,090	
1944-----	1,570	685	335	185	202	25	205	73	88	1,798	
1945-----	1,611	306	312	141	523	115	194	98	203	1,892	
1946-----	1,682	490	367	145	402	75	158	49	125	1,811	
1947-----	1,934	292	379	164	121	36	136	89	101	1,318	
1948-----	2,004	753	517	31	323	104	253	93	173	2,247	

1/ Prior to 1941, consumption is on a calendar year basis.

TABLE 13.--Comparison of rayon<sup>1</sup>/ production and cotton<sup>2</sup>/ consumption,  
by countries, 1938, 1947, 1948, 1949, and 1950

Country	1938		1947		1948		1949		1950	
	Rayon : Cotton :	Rayon : Cotton :	Rayon : Cotton :	Rayon : Cotton :	Rayon : Cotton :	Rayon : Cotton :	Rayon : Cotton :	Rayon : Cotton :	Rayon : Cotton :	Rayon : Cotton :
	1,000 : bales :	1,000 : bales :	1,000 : bales :	1,000 : bales :	1,000 : bales :	1,000 : bales :	1,000 : bales :	1,000 : bales :	1,000 : bales :	1,000 : bales :
Belgium-----	30:	321:	108:	405:	111:	371:	138:	380:	143:	-----
Denmark <sup>3</sup> /-----	-----	37:	-----	34:	-----	36:	-----	40:	-----	-----
Finland-----	0: <sup>4</sup> /	63:	30:	47:	32:	45:	32:	50:	38:	-----
France-----	171:	1,316:	292:	1,103:	382:	1,061:	550:	1,100:	660:	-----
Italy-----	631:	711:	384:	873:	340:	913:	1,061:	875: <sup>5</sup> /	1,061:	-----
Netherlands-----	47:	260:	107:	220:	133:	245:	136:	270:	169:	-----
Norway-----	1:	11:	17:	16:	37:	17:	50:	25: <sup>6</sup> /	55:	-----
Portugal-----	1:	89:	2:	157:	1:	151:	4:	150:	9:	-----
Spain-----	5:	140:	85:	333:	85:	400:	131:	375:	150:	-----
Sweden-----	13:	157:	70:	122:	63:	116:	76:	125:	76:	-----
Switzerland-----	29:	141:	88:	141:	91:	132:	103:	130:	103:	-----
United Kingdom-----	310:	2,690:	468:	1,934:	536:	2,004:	647:	2,150: <sup>7</sup> /	870:	-----
Total-----	1,238:	5,936:	1,651:	5,385:	1,811:	5,491:	2,928:	5,670:	3,334:	-----

<sup>1</sup>/ Rayon production, converted at the rate of 425 pounds of rayon to 1 bale of 500-pound gross weight cotton, is shown for the calendar years 1938, 1947, and 1948, with estimates for 1949 and 1950. It is not intended to infer that every bale of rayon comes into direct competition with cotton. When sufficient quantities of both fibers are available, along with ample currency exchange for their purchase, the various fibers normally fall into preferred uses. Competition is keener now, however, because of lower prices for rayon and the shortage of dollar exchange.

<sup>2</sup>/ Cotton consumption is shown by crop years for 1938-39, 1947-48, and 1948-49, with preliminary estimates for the crop year 1949-50.

<sup>3</sup>/ Denmark has no rayon production.

<sup>4</sup>/ Calendar year.

<sup>5</sup>/ Estimated at 90 percent of capacity.

<sup>6</sup>/ For 1951, 60,000 bales is planned.

<sup>7</sup>/ For 1951, 965,000 bales (410 million pounds) is planned.









# FOREIGN AGRICULTURE CIRCULAR

OFFICE OF FOREIGN AGRICULTURAL RELATIONS  
UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D.C.

FC-3-50

March 1, 1950

## FOREIGN MARKET NOTES—COTTON

### Turkey's Progress in Cotton Production 1/

By F. H. Whitaker

Turkey produces all the cotton it consumes and a small amount for export. During the present crop season (1949-50), production may reach 436,000 bales of 500 pounds gross weight, which would be a record crop and would provide about 200,000 bales for export. The previous record production was 308,000 bales in 1948-49. During the 10-year period prior to 1945, Turkey produced an average of a few less than one-fourth million bales on an average acreage of around 700,000.

The present average yield of about 239 pounds per acre is the highest on record. Yields have been running as a rule from 150 to 175 pounds. Acreage in the 1949-50 crop year was about 875,000 and compares with 734,000 in 1948-49 and about 500,000 in 1947-48. During the years 1940-41 and 1941-42, acreage ran around 800,000 but then there was a downward trend until 1947, when acreage was one-half million. Acreage now seems to be increasing in most areas with the largest increase occurring principally in the provinces of Seyhan, Ismir and Icel. Numerous valleys in Turkey offer opportunities for cotton acreage expansion. Much of the land is of delta formation and compares favorably with Mississippi River delta land. With sufficient water and management it should produce a minimum of one bale per acre.

Very little rain falls in the cotton area between April 1 and October 1; however, plenty of water would be available for irrigation from the rivers and mountains if dams and canals were constructed. The people of Turkey are endeavoring to develop their irrigation resources. They believe they could produce 2 million bales of cotton if the development were completed. With a generally improved standard of living and with increased

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1/ Report of a study of foreign market outlets and competition with United States cotton, conducted under the provisions of the Research and Marketing Act. The author wishes to acknowledge assistance received from United States Embassy and Economic Cooperation Administration officials in Ankara and officials of the Cotton Experiment Station at Adana.



and improved textile equipment, they would need about 400,000 bales for home use. This would leave 1.5 million bales for export.

Turkey is planting two varieties of cotton. They are the Acala variety, the first seed imports of which came from California about 13 years ago, and Yerli, which is of the Asiatic type. The cotton experiment stations in Turkey have been acclimatizing and developing Acala and now have a strain well adapted to Turkish conditions. They had 750 acres planted in this new Turkish Acala strain in 1949 and by 1952 or 1953 expect to have sufficient seed to plant the entire Turkish acreage.

Currently about 85 percent of the acreage is planted to the old Acala seed and 15 percent to the Yerli variety. The Yerli variety is a very short staple cotton and is similar to the short staple varieties of India. It is very difficult to pick and as a result the bolls usually are snapped and run through rollers before ginning. Yerli endures well the heavy rainfall season which starts in November. The bolls are small and do not open very wide.

The principal insects which Turkey's cotton growers have to contend with are the pink bollworm and the corn-ear worm. Both worms have inflicted heavy damage during the past several years. In the Adana area, field inspections last year indicated that yields were reduced as much as one-third by the pink bollworm. Some DDT spray was used against the corn-ear worm, but observations indicated very little was being done to combat the pink bollworm. However, the pink bollworm could be controlled by the practices followed in the United States.

The use of farm machinery is on the increase in Turkey. Through ECA assistance Turkey has secured slightly over 20 million dollars worth of farming equipment. Included were 4,300 tractors, 6,200 tractor plows and various other types of planting, cultivating and harvesting equipment.

Most of the cotton in Turkey is ginned on small roller stand gins, and in the gins the cotton is handled mostly by hand. Relatively, the Turks employ ten times as much labor in their gins as usually is employed in the gins of the United States.

Some of the gins do not have bale presses. The cotton often is sold in the seed by farmers or sometimes as soft bales weighing around 200 pounds of lint. Many of the cotton gins in Turkey need modernizing and "know how" for efficient operation.

About three-fourths of the cotton acreage in Turkey is planted in the delta of south central Turkey. The farms run from 50 to 600 acres and the land is very fertile. With proper handling and sufficient water the cotton yield per acre could equal the best yields of United States land. During the 1949-50 crop season about 630,000 acres were planted to cotton in this area. The acreage could be increased to 1 million. This area also has the Seyhan River, and mountains surrounding it are covered with snow most of the time, offering water for irrigation. Irrigation already

is being practiced to a small extent and canals are being built as fast as funds are made available. This section also has established an efficient cotton experiment station directed by a competent director who received his doctor's degree in Plant Pathology at Cornell University.

This area also is establishing an agricultural extension system which will assist in promoting good farming. The goal is one county agent for every 750 farming units. All workers of the land live in villages from which they go out to work in the fields. Each village has a head man who is elected by the people. He directs them in their work and is their liaison representative with the government and others.

The Seyhan area as a rule overflows each year and leaves a fine silt which constantly enriches the soil. It is claimed that 85 percent of the cotton land in this area is now being plowed with tractors. The area has textile mills in addition to cotton gins; however, both mills and gins need remodeling and more efficient operation.

Cotton consumption in Turkey during the 1949-50 crop year is estimated at 195,000 bales or a per-capita consumption of about 5 pounds. Consumption was 175,000 bales last year, 194,000 the year before, and 135,000 bales in 1938.

According to reports, the first cotton textile mill in Turkey was established in Tarsus in 1887 and at that time it was considered a modern plant. It had 500 spindles and got its power from the Tarsus waterfall. In fact the first electricity in Turkey was obtained from the turbine installed in this mill. This mill is still in operation although it has been modernized and contains about 22,000 spindles and 250 looms. In all, there are 23 textile mills in Turkey, of which 12 are privately owned and 11 state owned. The mills have 360,000 spindles and 6,500 looms. Forty percent of the spindles are in the privately owned mills and 60 percent in the state mills; 37 percent of the looms are in the private mills and 63 percent in the state enterprises.

Turkey exports cotton to Germany, Italy, Rumania, Czechoslovakia, Switzerland, Hungary, Sweden, France, the Netherlands, Finland, Bulgaria, and Greece. While Turkey has not exported cotton to all of these countries every year, they each receive cotton from there from time to time. During the first 9 months of 1949 Turkey made the following exports:

Bales of 480 pounds

Germany-----	6,678
Italy-----	551
Rumania-----	1,148
Czechoslovakia-----	11,919
France-----	15,960
Hungary-----	459
Sweden-----	5,167
Netherlands-----	12,180
Others-----	22,075
Total-----	<u>76,137</u>

As already mentioned, exported cotton is principally of the Acala variety. It is from unimproved seed that has been running for 13 years and as a result, according to mill reports in other parts of Europe, its staple is very irregular in length. This causes twice as much waste as results when United States cotton is used. A large volume of Turkish cotton also is of low grade due to the way it is ginned. The textile mills of Europe at present prefer other cotton to Turkey's product because of this feature. But when the new Turkish strain of Acala (No. 130) gets into full production it will compare favorably and will compete strongly with United States 15/16 inch and 1 inch cotton.

The Turkish Government is pushing the education of farmers to better farming and management. It is sending numerous citizens to the United States for study. Then these individuals teach their countrymen, through community schools, how to farm more efficiently. During the past year, training schools have been established all over the cotton area of Turkey to teach farmers how to maintain and repair their new machinery. No country is advancing faster than Turkey in modern agriculture.



TABLE 1.--Turkey: Production and exports of cotton to major countries in bales of 500-pounds gross weight, calendar years, 1939-48

Calendar year	Pro- duc- tion	Con- sump- tion	Exports								Total
	1/ 1,000 bales	1/ 1,000 bales	Ger- many	Italy	Rumania	Czecho- slovakia	Swit- zerland	Hungary	Sweden	All others	
	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	bales	bales	bales	bales	bales	bales	bales	bales	bales	bales	bales
1939---	221	---	8	15	7	9	---	---	---	1	40
1940---	258	---	---	5	15	1	4	---	---	2/ 26	51
1941---	272	---	---	---	21	---	---	2	---	15	38
1942---	263	---	5	---	---	---	---	1	---	1	7
1943---	184	---	7	2	3	3	6	7	---	2	30
1944---	225	---	15	---	3/	3/	9	6	1	3	34
1945---	166	185	---	---	---	---	---	---	---	4/ 3/ 3/	---
1946---	204	185	---	---	---	---	---	---	---	5/ 1	1
1947---	218	194	---	---	---	---	---	---	---	---	0
1948---	308	175	34	1	4	24	3/	---	8	6/ 64	1/135
1949 7/	426	195	---	---	---	---	---	---	---	---	---

1/ Crop year.

2/ Yugoslavia 14.

3/ Less than 500 bales.

4/ Greece 309 actual bales.

5/ Bulgaria 869 actual bales.

6/ France 18, Netherlands 11.

7/ Preliminary.

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# FOREIGN AGRICULTURE CIRCULAR

OFFICE OF FOREIGN AGRICULTURAL RELATIONS  
UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D.C.

FC-4-50

October 9, 1950

## WORLD COTTON STOCKS SLIGHTLY HIGHER

World cotton stocks on July 31, 1950, are estimated by the Office of Foreign Agricultural Relations at 16,560,000 bales (of 500 pounds gross, except United States cotton stocks which are in running bales). This figure is higher by 1,620,000 bales or 11 percent than a revised estimate of 14,940,000 bales for July 31, 1949. The increase in stocks this year includes 1.4 million increase in United States stocks and about 200,000 in foreign countries.

Stocks in surplus-producing countries in 1950, estimated at 10.2 million bales, were higher by 1.5 million bales with foreign countries accounting for less than 100,000 bales of the increase. Larger stocks in Mexico, Argentina, Peru, Turkey, and Pakistan are attributed partly to increased production in 1949 over that of the previous year and to additional time required for ginning, transportation, and marketing. Nearly all of the surplus from the 1949-50 crops in those countries was sold before July 31, 1950, but had not been moved. Increases totaling about 275,000 bales in the above group of countries were partly offset by decreases in Egypt, Brazil, British East Africa, and Paraguay, totaling about 200,000 bales.

Stocks in nonproducing and deficit-producing countries, estimated at 5,731,000 bales on July 31, 1950, were about 60,000 bales less than a year earlier. In the United Kingdom stocks were down from 1,610,000 bales a year ago to 1,403,000 at the beginning of the current market year but still represents 8 months' mill requirements. Stocks in the 11 other countries of Europe receiving cotton under the European Recovery Program rose from an estimated total of 1,110,000 bales a year ago to 1,550,000 this year, an increase of 440,000 bales. The latter figure, however, represents average mill requirements for only 4-1/2 months at the rate of consumption in 1949-50. Stocks in France and Italy represented about 5 months' requirements and in the other countries, between 3 and 4 months' requirements.

Stocks in Japan, estimated at 385,000 bales, were about equal to those of a year ago and sufficient for 3 to 3-1/2 months at the anticipated rate of consumption in 1950-51. In India, stocks estimated at 1,240,000 bales on July 31, 1950, were down by 220,000 bales from a year ago and sufficient to cover about 4-1/2 months' mill requirements. This is considerably below the normal level of stocks in India for this time of the year and below actual needs, in view of the fact that about two-thirds of mill requirements are drawn from the local crop which will not



COTTON: Estimated world stocks by principal countries,  
July 31, 1950, with comparisons 1/

(In bales of 500 pounds gross)

Country	Stocks on hand July 31			
	1939	1948	1949	1950
	<u>bales</u>	<u>bales</u>	<u>bales</u>	<u>bales</u>
<u>Surplus countries</u>				
Mexico.....	150	135	169	237
United States 2/.....	13,033	3,080	5,287	6,700
Haiti.....	5	3	1	3
Iran.....	40	13	11	10
Pakistan.....	-	55	93	104
Turkey.....	70	55	46	60
Argentina.....	243	435	470	600
Brazil.....	661	1,055	725	645
Paraguay.....	11	20	25	14
Peru.....	200	105	104	155
Anglo-Egyptian Sudan.....	107	114	36	30
Belgian Congo.....	150	87	76	75
British East Africa.....	75	112	150	100
Egypt.....	325	737	650	583
French Equatorial Africa.....	15	85	60	60
Others 3/.....	1,050	905	848	853
Total surplus countries....	16,135	6,996	8,751	10,229
<u>Deficit countries</u>				
Canada.....	56	79	53	44
Cuba.....	10	7	3	4
Belgium.....	150	125	80	112
Czechoslovakia.....	100	58	50	50
France.....	700	309	318	495
Western Germany.....	4/	195	135	322
Italy.....	250	365	376	385
Netherlands.....	80	65	58	98
Spain.....	50	55	36	35
Sweden.....	60	79	68	56
Switzerland.....	100	90	61	76
United Kingdom.....	1,045	1,367	1,610	1,403
China, incl. Manchuria 5/....	900	860	500	475
India 5/6/.....	2,165	2,678	1,460	1,240
Japan.....	556	235	393	385
Korea 5/.....	43	43	35	30
Colombia.....	5	70	44	39
Australia.....	20	22	29	30
Others 7/.....	775	602	480	452
Total deficit countries....	7,065	7,304	5,789	5,731
Afloat 8/.....	550	400	400	670
World total.....	23,750	14,700	14,940	16,560

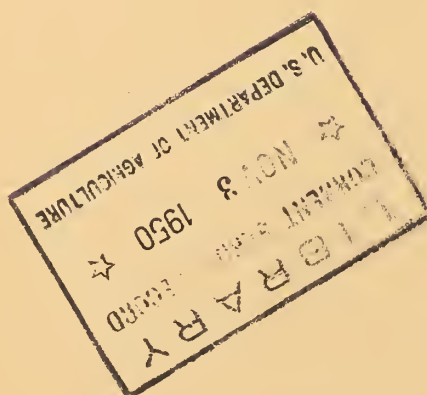
1/ Estimates for Southern Hemisphere countries include unginned cotton on hand at the end of July. 2/ Running bales. 3/ Mostly U.S.S.R., Mozambique, and Nigeria. 4/ Included with "Others." 5/ Includes estimates for noncommercial stocks. 6/ Includes Pakistan prior to partition in August 1947. 7/ Mostly countries in Europe and South America not listed above. 8/ Estimated.

arrive on the market until near the end of 1950. Reported stocks in most of the other countries, both producing and importing, are approximately equal to those of a year ago which generally were at a minimum requirement level.

In summary, the stock position in most of the major-importing countries is slightly better than the minimum needed to keep the pipe lines full, except in the United Kingdom, France, Italy, and to a lesser extent, Western Germany, where some reduction in stocks in 1950-51 would not handicap mill operations. Old-crop stocks in the major-producing countries, except the United States and Egypt, are almost exhausted. Larger world stocks as estimated for the beginning of the current season offer partial relief of a short world supply this year, resulting from low world production in 1950-51. The increase in stocks, however, amounts to little more than one-third of the anticipated decrease in 1950-51 production, as compared with 1949-50.

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This is one of a series of regularly scheduled reports on world agricultural developments approved by the Office of Foreign Agricultural Relations Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports from U.S. Foreign Service officers in foreign countries.







# FOREIGN AGRICULTURE CIRCULAR

OFFICE OF FOREIGN AGRICULTURAL RELATIONS  
UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D.C.

FC-5-50

October 16, 1950

## WORLD COTTON EXPORT TRADE REACHES PREWAR LEVEL

World cotton exports of 12.7 million bales (of 500 pounds gross weight) in 1949-50 were 1.6 million bales higher than in 1948-49 and nearly equal to the prewar level. Increased export trade last year is attributed to an increase in cotton-mill consumption in importing countries, particularly Japan, Germany, and Italy, a need to increase stocks in most of them, and a buying wave late in the season stimulated by prospects of a short world crop in 1950-51. War in Korea probably was a factor influencing heavier imports into countries where cotton stocks were below normal and into countries concerned with military preparedness programs.

Exports of 6,003,000 bales from the United States in 1949-50 were 1,042,000 higher than a year ago and accounted for nearly half of the world total. Exports in 1949-50 to countries receiving cotton under the European Recovery Program totaled 3,639,000 bales or 60.6 percent of total exports, although substantial quantities of this cotton were bought by the recipients with funds derived from sources other than the Economic Cooperation Administration. A substantial part of the total of 929,000 bales for Japan was exported under other types of United States Government aid. Shipments to Japan represented 15.5 percent of total exports to all destinations. (See Foreign Crops and Markets for September 18, 1950).

Mexico's exports of 653,000 bales in 1949-50 were 421,000 bales above those of a year ago and nearly double the previous record total of 359,000 in 1947-48. The latter total was comprised largely of stocks accumulated during the war years but the 1949-50 exports were drawn almost entirely from production in that year. Mexico's exports should exceed 700,000 bales in 1950-51 because of a new record crop now being harvested. All of it is American-type cotton.

Exports from Central America, Haiti, and the British West Indies totaled about 31,000 bales in 1949-50 and may be higher in 1950-51 because of a prospective further sharp increase in production in Nicaragua.

Exports of 212,000 bales from India were slightly below the total of 262,000 for 1948-49 and only 12 to 15 percent of the prewar level. Export restrictions have been in effect for about 2 years because of low

## COTTON: World exports by countries of origin, 1943-49

(In bales of 500 pounds gross weight)

Country	Year beginning August 1						
	1943	1944	1945	1946	1947	1948	1949 1/
	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	bales	bales	bales	bales	bales	bales	bales
<b>NORTH AMERICA</b>							
Mexico.....	31	125	263	204	359	232	653
United States.....	1,146	1,909	3,678	3,656	2,025	4,961	6,003
Others.....	31	13	30	12	29	29	31
Total.....	1,208	2,047	3,971	3,872	2,413	5,222	6,687
<b>ASIA</b>							
China.....	74	40	0	2/	0	0	0
India.....	277	317	848	828	704	262	212
Pakistan 3/.....	-	-	-	-	4/ 980	677	910
Iran.....	0	2/	0	8	6	16	29
Iraq 5/.....	7	3	1	1	10	2	1
Turkey.....	36	34	2/	1	5	135	230
Syria.....	0	0	0	0	1	5	52
Others 6/.....	112	75	49	22	31	44	46
Total.....	506	469	898	860	1,737	1,141	1,480
<b>SOUTH AMERICA</b>							
Argentina.....	47	43	125	36	0	28	75
Brazil.....	533	461	1,462	1,517	1,049	955	576
Paraguay..... 5/	26	30	71	38	33	27	71
Peru.....	153	156	460	359	278	231	256
Others.....	2/	0	0	0	0	0	0
Total.....	759	690	2,118	1,950	1,360	1,241	978
<b>AFRICA</b>							
Anglo-Egyptian Sudan.....	295	330	280	249	226	323	325
Angola..... 5/	12	26	30	23	22	12	27
Belgian Congo 5/.....	191	138	171	217	200	235	217
British East Africa..... 5/	145	195	269	212	235	336	380
Egypt.....	794	804	862	1,482	1,577	1,692	1,640
French Equatorial Africa..... 5/	42	77	85	86	127	110	5/ 108
French West Africa 5/.....	2/	14	11	8	3	4	11
Mozambique..... 5/	71	110	129	80	130	103	120
Nigeria..... 5/	34	20	15	31	29	40	50
Others.....	2	2	2	2	2	2	3
Total.....	1,586	1,716	1,854	2,390	2,551	2,857	2,881
Other countries 7/.....	1	0	400	450	675	600	650
World total.....	4,060	4,922	9,241	9,522	8,736	11,061	12,676

1/ Preliminary. 2/ Less than 500 bales. 3/ Reported separately for the first time for 1947-48.

4/ Includes about 230,000 bales of exports from Pakistan to India. In earlier years this movement was internal trade. To this extent Asia and world totals in 1947-48 are not comparable with earlier years.

5/ Calendar years. 6/ Mostly Burma and Korea. 7/ Mostly U.S.S.R.

Office of Foreign Agricultural Relations. Prepared or estimated from official statistics, reports of U.S. Foreign Service officers, results of office research and other information.



production, insufficient stocks, and inability to import supplies of cotton formerly obtained from Pakistan. Exports in 1950-51 are not likely to exceed those of 1949-50 because production in 1950-51 of the varieties permitted to enter export trade is not expected to exceed domestic mill needs by more than that amount. All cotton now being exported from India is of Asiatic types not directly competitive with United States cotton.

Pakistan exports of 910,000 bales in 1949-50 were 233,000 bales higher than a year ago and may be increased by another 100,000 bales in 1950-51 if present production estimates are realized. All except 40,000 to 50,000 bales of the exports are normally comprised of American Upland varieties.

Exports of 230,000 bales from Turkey and 52,000 from Syria in 1949-50 were at record levels because of sharp rises in production last year. Further increases in production and exports are expected this year, especially in Syria, and to a lesser extent in Turkey, Iran, and Iraq. Exports from this group of countries totaled 312,000 bales in 1949-50, mostly to Germany and France, and a further increase of about 100,000 bales is in prospect for 1950-51, mostly from Syria, based on the current outlook for 1950-51 production.

Argentina's cotton export trade has been restricted by government action to a very low level in recent years because of a steady rise in local mill consumption to a level exceeding production in 3 of the 5 years prior to 1949-50. Exports of about 75,000 bales (official figures not available) in 1949-50 represented a partial revival from a level of 28,000 in 1948-49, none in 1947-48 and 36,000 in 1946-47. Exports in 1950-51 may exceed 200,000 bales as a result of the record crop of 575,000 bales harvested last year, some surplus stocks already on hand, and prospects for a near-record crop in 1950-51. All Argentine cotton is of American Upland varieties.

Brazil's exports of 576,000 bales in 1949-50 were below those of a year ago by 379,000 bales or 40 percent. Failure to maintain exports at the level of recent years is attributed to South Brazil's small crop of the year and to depleted stocks following a series of small crops harvested since 1943-44. Nearly all Brazilian cotton entering export trade is composed of American Upland varieties.

Exports of 256,000 bales from Peru and 71,000 from Paraguay in 1949-50 were 25,000 and 44,000, respectively, above those of the previous year and no considerable increase may be expected in 1950-51.

Exports from the Anglo-Egyptian Sudan, totaling 325,000 bales in 1949-50 were about equal to those of a year ago and nearly equal to record totals of earlier years. Not much change may be expected in 1950-51 as old-crop stocks are exhausted. Only about 5 percent of Sudan's cotton is composed of American Upland, the remainder being of Egyptian varieties.



In British East Africa, exports of approximately 380,000 bales in 1949-50 were slightly higher than previous records but may be slightly lower in 1950-51 because of prospects for a small reduction in the new crop. Old-crop stocks are exhausted. Most of the cotton is American-type but with an average staple length above 1-1/8 inch.

Egypt's exports of 1,640,000 bales in 1949-50 were 52,000 lower than in 1948-49 and 63,000 higher than in the previous year. The surplus available for 1950-51 export may exceed substantially the amount shipped in 1949-50.

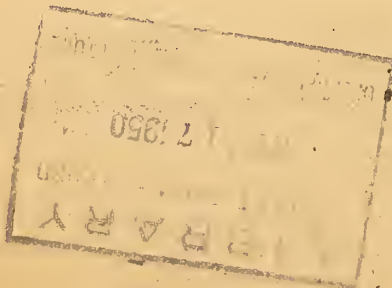
Exports of cotton from other producing areas in Africa, principally the Belgian Congo, Mozambique, French Equatorial Africa, Nigeria, Angola, and French West Africa, totaled about 536,000 bales in 1949-50 compared with 506,000 bales a year ago. Not much change is expected in 1950-51, although efforts are being made to stimulate increased production in most of the colonial areas mentioned above. Nearly all of the cotton exported from these areas is composed of American varieties.

Statistical data showing cotton exports from the Soviet Union are not available. However, incomplete import data for the countries of Eastern Europe, all of which have covered a major part of their mill requirements by imports from the Soviet Union since the war, indicate that Soviet cotton exports during the past 3 years probably ranged between 600,000 and 675,000 bales annually, offset in part by imports of 150,000 to 200,000 bales annually into the Soviet Union.

World cotton exports of 12.7 million bales in 1949-50 were not much above the minimum level necessary to maintain the present high level of world cotton consumption. Stocks (as reported in last week's issue) are not generally excessive in importing countries.

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# FOREIGN AGRICULTURE CIRCULAR

OFFICE OF FOREIGN AGRICULTURAL RELATIONS  
UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D.C.

FC-6-50

October 23, 1950

## WORLD COTTON PRODUCTION DOWN BY 14 PERCENT

World cotton production in 1950-51 is estimated by this Office at 26,925,000 bales (of 500 pounds gross weight), compared with 31,190,000 bales a year ago and a prewar average of 31,695,000 bales. This represents a decrease of 4,265,000 bales or 14 percent from the 1949-50 figure, and marks an interruption of the postwar upward trend from the low point of 21,125,000 bales to which world production fell in 1945-46. With consumption accelerated by economic recovery in Europe and Japan and by defense program activity in the United States, the impending surplus which loomed a year ago has vanished and given way to a situation of tight supply at least for the remainder of the current season.

The decrease in the world total is more than accounted for by the decline of 6,259,000 bales in the United States. Offsetting nearly one-third of this decrease is a total increase of about 2,000,000 bales in other producing countries.

Preliminary reports indicate that approximately 260,000 bales of the increase in foreign production are in Egyptian and Peruvian types, around 400,000 bales in Asiatic types, and the remaining 1,350,000 bales in American Upland.

Of the total increase in production outside the United States some 228,000 bales net are anticipated in the Southern Hemisphere and will not be available until the late spring of 1951. Roughly 350,000 bales of the increase abroad are expected in India and nearly 1,000,000 bales in China and the Soviet Union together, little of which will be generally available to competitive international trade. The increase in the Soviet Union comes about largely through resumption of cotton growing in the so-called "new regions" north and east of the Black Sea. A more detailed discussion of cotton crops in the principal producing countries follows:

Mexico's 1950-51 crop, estimated at 1,040,000 bales, is 55,000 above last year's record crop of 985,000 bales. Acreage was increased from 1,446,000 acres in 1949-50 to 1,800,000 in 1950-51 but average yield per acre was lower due to heavy insect infestation, insufficient rainfall during the growing period, and too much rain after the picking season began. Average yield this year is estimated at 286 pounds per acre compared with 338 pounds in 1949. About 60 percent of Mexico's cotton area is under irrigation.



COTTON: Acreage and production in specified areas,  
averages 1935-39 and 1940-44, annual 1948-50 1/

Continent and country	Acreage					Production 2/				
	Year beginning August 1					Year beginning August 1				
	Averages	Averages	Averages	Averages	Averages	Averages	Averages	Averages	Averages	Averages
	1935-39	1940-44	1948	1949 3/	1950 3/	1935-39	1940-44	1948	1949 2/	1950 3/
	acres	acres	acres	acres	acres	bales	bales	bales	bales	bales
<b>NORTH AMERICA</b>										
El Salvador.....	9:	23:	32:	34:	35:	5:	12:	22:	21:	23
Guatemala.....	-	7:	8:	8:	9:	2:	3:	6:	5:	6
Mexico.....	725:	855:	1,050:	1,446:	1,800:	334:	425:	570:	985:	1,040
Nicaragua.....	9:	7:	8:	37:	50:	5:	5:	6:	20:	30
United States.....	27,788:	21,992:	22,921:	27,230:	18,429:	13,149:	11,957:	14,877:	16,128:	9,869
British West Indies.....	20:	20:	16:	16:	-	5:	5:	6:	5:	-
Haiti.....	-	-	40:	30:	-	22:	12:	13:	8:	8
Total 4/.....	28,642:	22,960:	24,080:	28,807:	20,375:	13,523:	12,421:	15,502:	17,174:	10,983
<b>EUROPE</b>										
Bulgaria 5/.....	85:	61:	-	-	-	35:	17:	-	-	-
Greece.....	168:	101:	112:	142:	180:	76:	27:	55:	72:	90
Italy.....	56:	106:	38:	43:	43:	21:	27:	10:	7:	12
Rumania 5/.....	8:	63:	-	-	-	2:	11:	-	-	-
Spain.....	46:	96:	131:	135:	-	10:	17:	31:	14:	9
Yugoslavia.....	8:	15:	-	-	-	3:	4:	-	-	-
Total 4/.....	372:	443:	552:	601:	605:	147:	103:	161:	159:	179
<b>U.S.S.R. (Europe and Asia).</b>	5,087:	3,911:	4,100:	4,550:	5,600:	3,430:	2,080:	2,600:	2,700:	
<b>ASIA</b>										
Cyprus.....	11:	6:	5:	6:	8:	3:	1:	1:	2:	3
Iran.....	453:	384:	259:	222:	300:	171:	105:	92:	96:	107
Iraq.....	53:	73:	15:	24:	79:	11:	10:	2:	8:	30
Syria.....	85:	48:	54:	-	-	28:	15:	28:	80:	120
Turkey.....	667:	736:	734:	885:	920:	249:	241:	308:	436:	450
Afghanistan.....	-	-	-	-	-	49:	23:	20:	30:	-
Burma.....	428:	364:	153:	157:	158:	97:	80:	35:	22:	30
China (inc. Manchuria).....	7,038:	5,849:	6,300:	5,300:	-	2,855:	2,012:	2,115:	1,700:	-
French Indochina.....	36:	-	-	-	-	6:	7:	-	-	-
Japan.....	2:	-	7:	12:	-	1:	1:	2:	3:	-
India..... 6/	24,204:6/	20,518:	11,055:	11,500:	13,200:6/	5,348:6/	4,853:	1,960:	2,300:	2,650
Korea 7/.....	564:	776:	281:	343:	-	198:	196:	72:	81:	-
Indonesia.....	27:	24:	-	-	-	9:	10:	5:	5:	-
Pakistan.....	6/	6/	2,800:	2,866:	2,935:	6/	6/	832:	1,000:	1,100
Philippine Islands.....	5:	15:	3:	3:	-	1:	3:	1:	1:	1
Siam.....	16:	80:	70:	75:	-	7:	29:	27:	28:	-
Total 4/.....	33,805:	29,100:	21,885:	21,720:	25,366:	9,038:	7,593:	5,509:	5,800:	6,908
<b>SOUTH AMERICA</b>										
Argentina.....	770:	826:	1,150:	1,200:	1,200:	289:	398:	450:	575:	500
Brazil.....	5,562:	5,812:	4,100:	4,500:	-	1,956:	2,169:	1,500:	1,385:	-
Colombia.....	98:	99:	-	-	-	23:	22:	28:	40:	50
Ecuador.....	40:	38:	-	-	-	13:	9:	12:	9:	12
Paraguay.....	111:	116:	131:	161:	-	40:	42:	45:	64:	-
Peru.....	428:	353:	370:	350:	-	384:	310:	309:	275:	-
Venezuela.....	50:	53:	-	-	-	11:	15:	13:	6:	7
Total 4/.....	7,060:	7,299:	5,993:	6,448:	6,477:	2,716:	2,965:	2,358:	2,355:	2,555
<b>AFRICA AND OCEANIA</b>										
Anglo-Egyptian Sudan.....	439:	363:	402:	430:	-	248:	253:	256:	292:	300
Belgian Congo.....	874:	923:	741:	-	-	172:	182:	220:	244:	-
Kenya.....	-	-	43:	48:	50:	13:	21:	8:	7:	9
Nyasaland.....	84:	56:	-	-	-	12:	7:	10:	6:	-
Tanganyika.....	-	-	-	-	-	50:	45:	42:	43:	38
Uganda.....	1,477:	1,152:	1,555:	1,628:	1,550:	281:	198:	327:	283:	275
Egypt.....	1,821:	1,162:	1,496:	1,756:	2,050:	1,893:	1,243:	1,836:	1,796:	2,000
French Equatorial Africa.....	390:	583:	-	-	-	41:	87:	107:	110:	-
French Morocco.....	1:	5:	2:	2:	2:	8/	2:	1:	1:	1
French West Africa.....	-	-	-	-	-	28:	20:	16:	15:	-
Mozambique.....	-	497:	634:	-	2/	33:	93:	125:	92:	-
Nigeria.....	-	-	-	-	-	36:	30:	60:	60:	70
Angola.....	73:	-	-	-	-	13:	24:	20:	28:	28
Southern Rhodesia.....	2:	5:	4:	-	-	8/	1:	1:	-	-
Union of South Africa.....	-	-	8:	27:	40:	2:	1:	4:	16:	20
Australia.....	53:	35:	2:	4:	-	11:	7:	1:	1:	-
Total 4/.....	6,176:	5,642:	6,320:	6,644:	6,947:	2,840:	2,219:	3,040:	3,002:	3,250
<b>World total 4/.....</b>	81,142:	69,355:	62,930:	68,770:	65,370:	31,694:	27,381:	29,170:	31,190:	26,925

1/ Production in bales of 478 pounds net prior to 1946 and 480 pounds thereafter. 2/ Years shown refer to crop years in which major portion of crop was harvested. 3/ Preliminary. 4/ Includes estimates for minor-producing countries not listed above and allowances for other figures not available. 5/ Figures for 1943 to date are not comparable with prewar figures because of boundary changes. 6/ Pakistan included with India. 7/ South Korea only, after 1941. 8/ Less than 500. 9/ Exports.

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Cotton production in Central American countries and Haiti was about equal to that in 1949-50, except in Nicaragua where a sharp rise from 20,000 bales in 1949 to 30,000 in 1950 is reported, with a similar increase in acreage. The prewar averages were 5,000 bales and 9,000 acres.

In the United States production dropped sharply from 16,128,000 bales in 1949-50, the fourth highest on record, to 9,869,000 bales (third official estimate) this year, representing a decrease of 38.8 percent. The decrease in acreage from 27,230,000 to 18,429,000 acres, respectively, amounted to 32.3 percent. Average yield for the current crop, as indicated by the latest report released on October 8, is computed at 257 pounds per acre. This is 27 pounds lower than in the previous year but only 4 pounds below the 10-year (1939-48) average.

The sharp decrease in production is attributed largely to smaller acreage resulting from the reinstatement of acreage allotments and marketing quotas. The 18,429,000 acres for harvest, however, are 3,126,000 acres or 14.5 percent less than the total area allotted under the acreage allotment program because some farmers did not plant the entire acreage allotted to them under the program. Heavy insect infestation, below-average temperatures, and excessive rainfall over a large part of the Cotton Belt also were factors responsible for lower yields and delayed picking this year.

The 1950-51 total of 179,000 bales for the six cotton-growing countries of Southern Europe was up 20,000 bales from that of a year ago. The only significant change was in Greece where production increased from 72,000 to 90,000 bales.

Information obtained from the Soviet press indicates that cotton acreage in the Soviet Union was increased in 1950 by at least 1,050,000 acres to a total of about 5.6 million acres. Most of the expansion, however, was in unirrigated areas north and east of the Black Sea where cotton growing was reduced in recent years to an insignificant level because of very poor yields. The increase in production over the estimated 1949 crop of 2,700,000 bales probably did not exceed 350,000 bales. This increase, if attained, will nearly equal the quantities of cotton imported annually into the Soviet Union and the countries of eastern Europe from sources outside of Europe. Most of it is American-type cotton.

Cotton production in Turkey, Iran, Iraq, Syria, and Afghanistan has increased rapidly during the past 2 years from a total of 450,000 bales in 1948-49 to about 750,000 bales in 1950-51. Nearly all of it is American-type cotton. Production in Turkey rose from 308,000 in 1948 to 450,000 in 1950 largely through expansion of acreage (part of it under irrigation), greater use of selected seed, improved methods of cultivation, and a substantial increase in the number of tractors and farm implements used by cotton farmers. Average yield per acre apparently rose from 201 pounds in 1948 to around 235 in 1950.

In Syria cotton production is reported to have increased from 28,000 bales in 1948 to 80,000 in 1949 and to 120,000 in 1950 with some private estimates above 200,000 bales. Most of the increase was attained through the use of mechanized equipment on land formerly lying idle or under cultivation with primitive tools and methods. Some additional areas were placed under irrigation. Similar factors in Iraq resulted in a 2-year increase from 2,000 to 30,000 bales. The increase in Iran amounted to only 15,000 bales over the 1948-49 estimate of 92,000 bales and is still below the prewar average of 171,000 bales. The 1950-51 crop of 107,000 bales, however, is about 40,000 bales more than is needed for consumption by mills in Iran. Statistical data from Afghanistan are not complete but an increase from 20,000 bales in 1948-49 to 30,000 in 1950-51 is indicated with about one-third of the 1950-51 crop earmarked for shipment to the Soviet Union under the terms of an existing trade agreement.

Acreage and production data from China for the 1950-51 crop are incomplete but goal figures indicate that the present government is making a strong effort to stimulate an increase in cotton production to at least 3,000,000 bales to meet the needs of domestic spinners. Unfavorable weather and unsettled economic conditions are believed to have prevented an increase of more than 600,000 bales above the estimate of 1,700,000 for 1949-50.

The 1950-51 crop in India is estimated at 2,650,000 bales compared with 2,300,000 a year ago. Cotton acreage restrictions, in effect since 1942 to encourage greater production of food crops, were moderated considerably this year following a season of severe cotton shortage. A production goal announced by the Government early this year represented an increase of nearly 650,000 bales above last year's estimate.

Growing conditions in Pakistan are reported to be slightly better this year than in 1949 and cotton acreage was increased by about 70,000 acres to 2,935,000 in 1950-51. Production in 1950-51 is estimated at 1,100,000 bales or 100,000 bales above that of a year ago.

It is too early to estimate accurately the 1950-51 crops in South America where planting is not yet completed. The Argentine Government is providing some technical aid, financing, seed for planting, and instruction for cotton growers in an effort to increase production above the record 1949-50 crop of about 575,000 bales. If weather conditions remain favorable and insect infestation can be controlled, this figure may be exceeded. A preliminary figure of 500,000 bales is assured, however, because of the frequency of unfavorable conditions for cotton growing in Argentina.

In Brazil, where similar conditions exist, production may be expected to reach 1,600,000 bales or 215,000 above that of a year ago if growing conditions are reasonably favorable. A higher figure is possible. Production in Peru and Paraguay is not likely to rise much above a level of 300,000 and 60,000 bales, respectively, because of limitation of suitable

areas without diversion of land from food crops. Efforts are being made by the Governments of Colombia, Ecuador, and Venezuela to increase cotton production in those countries but the obstacles are too great for any substantial increases this year.

Cotton acreage in Egypt, estimated at 2,050,000 acres for 1950-51, is about equal to the record area of 2,053,000 acres reported for 1937-38. Early private estimates ranged from 2,200,000 to 2,300,000 bales (500-pound equivalent) and later estimates average about 2,050,000 bales. The first official estimate, however, placed the crop at 1,869,000 bales indicating very poor yields, particularly in Upper Egypt, as a result of exceptionally high temperatures in August. The final official estimate of 1,796,000 bales for 1949-50 was 180,000 bales higher than the first estimate.

Little change is expected in colonial cotton areas of Africa and the Sudan which are expected to produce a total of 1,250,000 bales compared with 1,206,000 bales a year ago. Nearly all of it is American-type cotton except slightly less than 300,000 bales produced in the Anglo-Egyptian Sudan.

The 1950-51 estimates are preliminary for all countries as picking is only half completed in the Northern Hemisphere countries and most of the Southern Hemisphere crops are planted during September to December for harvest during March to July.

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This is one of a series of regularly scheduled reports on world agricultural developments approved by the Office of Foreign Agricultural Relations Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports from U.S. Foreign Service officers in foreign countries.



